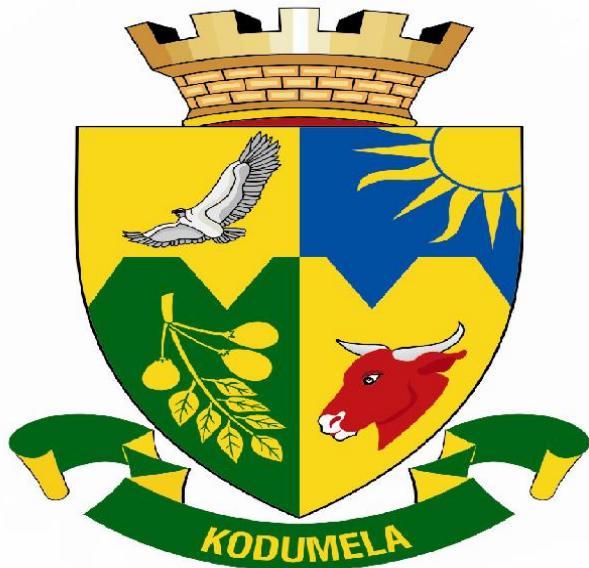


# **Blouberg Municipality**



**LIM351 DRAFT BUDGET 2017/18-2019/120  
MEDIUM TERM REVIEW**

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## PART 1 –ANNUAL DRAFT BUDGET

### 1.1 Mayor's Report

OPEN COUNCIL IDP/BUDGET SPEECH  
PRESENTED BY HIS WORSHIP, THE  
ACTING MAYOR OF BLOUBERG LOCAL  
MUNICIPALITY, COUNCILOR  
MASHALANE S : 28 MARCH 2018 AT  
MODIKWA PRIMARY SCHOOL (GA  
RAMASWIKANA VILLAGE)



### OPEN SESSION

*Madam Speaker*

*Members of the Executive Committee*

*The Chief Whip of the majority party and other Whips*

*Chairperson of the Municipal Public Accounts Committee*

*Fellow Councillors*

*Municipal Manager and senior managers*

*All Traditional Leaders*

*All Ward Committees & CDW's*

*Members of the Community*

*Business Community*

*Representative of Sector Departments Present*

*All municipal officials*

"I have cherished an ideal of a democratic South Africa in which all persons live together in harmony and have equal opportunities. It is an ideal that hope to live for and achieve and if needs be it is an ideal for which I am prepared to die". Ke tshepha gore kamkoka mmolelwana wo ra o tseba. Madam Speaker, this year as a country, Afrika and the world we celebrating 100 years of Nelson Rolihlahla Mandela. This global icon who would be 100yrs this year. This celebration is coupled with celebration of the life of Imbokodo Mme Albertina Sisulu. The celebration of these lives must remind us of our inherent historical responsibility for a better life of all our communities.

## **A. MORERO WA KHANSELE**

Madama Speaker go ya ka molao wa Municipal Systems Act, Municipal Finance Management Act re swanetše go lekola le go beakanya Lenaneo-tlhabollo la Masepala le ditekanyetšo ngwaga ka ngwaga. Ka kgwedi ya Matšhe Khantshele e swanetše e fetiše tokomane tšhitšinywa mabapi le lenaneo-tlhabollo le ditekanyetšo (Draft IDP/Budget), yeo, go ya ka molao, e swanetsego go dirwa matsatsi a 90 pele ngwaga wo moswa wa ditshelete o thoma. Ke ka fao lehono re tlišago tokomane ye ya IDP/Budget 2018/19 pele ga khantshele gore e fetišwe.

Pele ga fao, Madam Speaker, ke rata go tlisa dintlha tse mmalwa tseo re ratago gore khansele ye e di ele sedi:

### **1. Progress report on recruitment of Senior Managers: PAGE 23-65**

Madam Speaker, re tla kgole ka lenaneo la go tlatša dikgoba tša diposo tša bahlankedibagolo ba Masepala (Director Positions). Go fihla gabjale re setse re dirile di-interviews go dikgoba ka moka tse nne. Se se setsego ga bjale ke go feleletsa lenaneo la diteko tsa mabjoko (competency assessments).

- 1.1. Godimo ga dikgoba tse tse nne, ke fela go sekgo sa molaodi-mogolo wa Technical Services moo panele e sa kgotsofatswago ke dipolo, mme go kgopelwa gore khansele ye e fe **TUMELELO** ya go kwalakwatsa sekgo seo leboeleta. (letlakala 52-65)
- 1.2. Go feta fao, mafelelong a kgwedi ye ya March, thwalo ya lebakanya go balaodi ba bararo etla be e fihla mafelelong, mme re kgopela gore Khantshele e **THWALE** balaodi ba lebakanya mo maemo a a latelago:
  - 1.2.1 Community services: Chief Licensing Officer, Mpya Jimmy
  - 1.2.2 Technical services: Project Management Unit Manager, Rabumbulu Herminah
  - 1.2.3 Chief Finance Officer: Budget Manager: Riba Malese, for continuity purposes. Her acting tenure will be extended, subject to the granting of concurrence by the MEC for CoGHSTA. (23-51).

### **2 Update on salaries and negotiations. 186-189**

Fellow councilors, this is that time of the year in which SALGA and the Labour unions will sit around the table and negotiate for salaries and wages, wage curve and pension fund restructuring. Unions had earlier revised their demands from 15 to 10%, which is still viewed to be higher. The parties are now invited to the next round of negotiations scheduled for the 16-18 April 2018. This update is brought to this council for noting.

### **2. Report on mandatory by-laws. 71-186**

Madam Speaker, in order for us promote a safe and healthy environment for our communities, and also to establish good relations with them, we need to enforce municipal by-laws. We are bringing the following by-laws to this council for adoption and further for publication:

- Property Rates By-Law
- Credit Control and Debt Collection By-Law
- Cemetery and Crematorium By-Law
- Supply of Electricity By-Law

We further bring the following items to this council for noting:

- Decisions taken by the Executive Committee during the period under review'. 190-196
- Progress report on the management of institutional risks; 197-222, and
- Draft municipal cost-containment measures, developed by National Treasury with an intention to ensure that the resources of the municipality are used effectively, efficiently and economically. **243-252**

### **3. Second 2017/18 budget adjustments: 66-67**

Madam Speaker, in terms of Section 28(2)(b) of the Municipal Finance Management Act, the Municipal adjustments budget may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for;

Council of the 31<sup>st</sup> January 2018 approved the adjusted budget amounting to **R 322,553,012**. The adjustment is based on the following items:

- Lately, National Treasury revised DORA on Integrated National Electrification Programme increases by **R 3,500,000**. This came after a presentation was made to the Deputy Minister of Energy during her visit to our municipality, requesting funds to construct a new substation within Senwabarwana. This report is also brought to this **council for approval** for the implementation of the project, starting with the appointment of the service provider for the engineering services.
- Secondly, the Capricorn District Municipality extended the Alien Plant Eradication project by adding **R600,000** for the payment of labourers;
- While Basil Read mining will be giving the municipality a monthly allocation of R 52, 000 for the maintenance of Alldays Sporting facilities for a period of 12 months, which will amount to **R156 000** to complete this financial year, which is three months, starting from April 2018.

It is against the background above that **COUNCIL APPROVE** the adjustments budget, which will increase Revenue Budget from **R 322,553,012** to **R 326,809,012** and Expenditure Budget from **R 366,953,012** to **R 371,209,012**.

### **4. Land-use reports:**

Madam Speaker, we are presenting the following requests and applications to this council for consideration:

#### **4.1. Report on the nomination of a member of the District Municipal Planning Tribunal. (253).**

That council appoints Director Mapholi H.C. to serve in the Tribunal, since manager Thabela, who was previously appointed to that position, had resigned.

**4.2. Report on the application for sub-division of the remainder of portion 1 of the farm 80 MR: Swartwater (254)**

Madam Speaker, this council had previously deferred this application for further research. Our officials visited the farm and made some investigations, which give assurance that the application can be considered. We therefore that the report on findings about the farm be approved, and further that requests from the school be considered. (Requests are detailed in the report on page 254); and that

**4.3. The application for sub-division of the remainder of portion 1 of the farm 80 MR: Swartwater be approved. (255)**

**4.4. Report on boundaries on 178LS:** Madam Speaker, after some few struggles, we have finally managed to finalize the process to delineate the outside boundary of Senwabarwana 178 LS. This process is important for us to be able to identify any encroachment to the property as there has been several attempts to invade the property from surrounding community members. The identification of this boundary and permanent markings of the said boundary will help us for ease of reference in future.

**4.5. We further submit the following land-use progress reports to this august council for noting:**

- Report on request for a soccer field for Ext 5 residents. (435)
- Report on re-identification of sites in My-Darling village. (437)
- Report on Senwabarwana Bulk Water Supply. (439)
- Report on demarcation of sites at Pax, Eldorado and Taibosch. (440)
- Report on LGNC (441)
- Report on illegal land occupation behind site 72 and 73, Bochum A. (442)
- Report on demarcation of sites in Ga-Makgato. (443)

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**TABLING OF DRAFT IDP/BUDGET 90 DAYS BEFORE THAT OF THE NEW FINANCIAL YEAR**

Madam Speaker in partnership with our Communities we are determined to respond to the national call made by our State President, Cyril Matamela Ramaphosa, that we must accelerate access to land, grow the economy, create jobs and fight corruption.

Madama Speaker, lehono re tliša tokomane tšhitšinywa ya IDP/Budget 2018/19 pele ga khantshele gore e fetišwe.

Re e beakantsé ka tsela yeo e tlogo go re thuša lesolong la kabo ya ditirelo, kgolo ya ikonomi, tlholo ya mešomo le go lwantšha bomenetsa. Madam Speaker mananeo a ren a eme ka tsela yeo e latelago;

### **Accelerate access to land**

Bjalo ka karolo ya go tsenya letsogo mo tabeng ya kabaganyo ya naga re le masepala re ile go tla ka mananeo ao a tlogo go thuša go phethagatša morero wo. Se se akaretša tše latelago;

-Go bona gore re lekolaleswa Spatial Development Framework

-Badudi ba Alldays le Senwabarwana ba hwetša di tittle deeds

-We conduct land Audit

-And have an updated valuation roll, and as such we are briefing a draft supplementary valuation for approval for public participation.

### **Growing the economy**

Blouberg Municipality has potential in agriculture, tourism, retail and mining. The mining potential within Blouberg Municipality represents a brighter future. Go fihla ga bjale go na le kgatelopele yeo e latelago mo tša meepo;

Madam Speaker, we recently had a meeting with Iron Veld Mining Company which would be mining iron at the southern side of Blouberg Municipality covering settlements such as Harriswitch, Aurora and Cracouw. The department of Mineral Resources has granted a mining license to Iron Veld, and they will soon commence with the mining activities at Harriswitch. The first phase of the mining activity will take about 5 years in lifespan, and this will be an open cast. Discussions will be unfolding prior the operation of the mine to agree on the types of skills to be sourced from the local communities and what projects to prioritise in their SLP. Those projects or programs have to find expression in the municipal IDP for this financial year.

We have been engaging Platinum Mine, who are finalizing their prospects around Makgabeng.

Madam Speaker, we continue to engage Venetia Mine to ensure that their final SLP and incubation programs bearfruits to our communities. We continue to engage the mine on the acceleration of employment opportunities for our local communities.

Anglo American, in partnership with COGHSTA, is also coming up with institutional capacity building programs, which will serve as enablers to the institutional development.

**Madam Speaker**, we have attached the final draft status quo report on the compilation of the Growth and Development Strategy Vision 2040, and, lastly, and also finalizing the Blouberg Tour guide. These two programmes are a catalyst to revitalization of Blouberg Economy and directing of economic investments.

Re lebeletše go hlola mafelo a difeme mo Blouberg, re thoma ka Senwabarwana le Alldays. Se se tla thuša gore di tšweletšwa tša mo gae di fetolelwé go ba di dirišwa (Manufacturing & processing)

### **Hlolo ya Mešomo (Creating jobs)**

Re le masepala re tšwela pele go hlola mešomo ka mokgwa wa CWP, EPWP, ge re phethagatša kabo ya diprotšeke, le LED projects. Mešomo ye ke ya lebakanyana ya go tliša kimollo. Re lebeletše go ikgokaganya le lekala la private go bona gore re hlola mešomo ya makgonthe.

Re tšwela pele go thuša baswa ka di internship and learnerships. Nepo ke go tlabakela ka baswa ka bokgoni gore ba hone go hwetša mesomo goba go hlola mešomo.

### **Go Iwantšha bomenetša (Fighting Corruption)**

Madam Speaker bjalo ka Mmasepala re ikemišeditše go tsenela lesolo la go Iwantšha bosenyi le bomenetša. Komiti ya tekolo ya dipuku(Audit Committee), komiti ya MPAC di tšwela pele gore thuša go bona gore tshepedišo ya Masepala e sepela gabotse go ya ka melao. Ngwaga wa go feta Khantshele ka kgwedi ya Oktoboro e kgonne go fetiša go hlangwa ga Financial Misconduct Board. Yona e tlo thusa go matlafatša mošomo wa dikomiti tšeо re šetšego re boletše ka tšona. Setšhaba le batšeakarolo ka kakaretšo ba swanetše go re thuša mo lesolong le.

### **Spatial Planning**

Re beetše thoko tšhelete yeo lakanago R1,4 M go phethagatša merero ya peakanyo ya naga(Spatial planning)

### **Environment and Waste Management**

Cllr Rangata Pabaloo ya tikologo e bohlokwa mo maphelong a rena. Go babalela tlhago go thuša go e boloka gore e tle e šomiše ke meloko yeo e latelago ***Sustainable development approach***

Re beetše thoko tšhelete ya go lekana R 450 000 go thuša merero ya tikologo.

Gape re beetše thoko R 3 M mererong ya go olela ditlakala. Yona e akaretša go reka lori, di waste bins le mananeo a EPWP

## **Infrastructure Development**

Cllr Mashalane, go tšwela pele ka kabo ya ditirelo re šisenya peakanyo mašeleng ka tsela yeo e latelago

- Kabo ya mohlakgase R 5,9 M
- Kago ya dtsela tša ka metseng R 24,4 M
- Go aga dikolothakana R2 M

## **Maintenance Budget**

Madam Speaker re beetše thoko tshelete ya lekana R 3,,2 M go hlokomela tse di plant tša Masepala,ditsela,go petšha di potholes le di facilities tša Masepala ka kakaretšo

## **Growing Blouberg Economy**

Cllr Ntlatla go bona gore re godiša moruo wa masepala re beetše thoko mašeleng ao lekana R1M mererong ya LED.

## **Financial Viability and Management**

Cllr Makobela we cannot continue to provide services without ensuring that we improve on our collection. We must make sure that those who are supposed to pay for services pay and those who cannot are part of the indigent programmes. We need to grow our revenue sources and implement the draft cost containment regulation. That will help address the going concern. *Re ka se sele ka lesaka la go dutla,*

Madam Speaker we table Budget related policies together IDP/Budget for consideration and Community and Stakeholder consultations. The revised policies and tariffs we assist us in building a sustainable Municipality.

## **INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT**

Cllr Morapedi we must continue to capacitate officials, ward committees and Councillors. We need to further ensure decentralization of services to our service points (satellites). Our communities must get services nearer. Madam Speaker, we have allocated funds as follows in order to promote good governance and public participation;

- R 1M for public participation
- R4, million for Ward Committees support
- R 740 000 for IDP/Budget review process
- R 340 for performance management

- R 3M for external audit. Se se tla re thuša go hwetsa pego ye kaone ya mašeleng mo ngwageng wa 2017/18

### **Tša meraloko,bokgabo le setšo**

Re beetše thoko mašeleng thoko ka tsela yeo e latelago go hlabolla merero ya meraloko,bokgabo le setšo;

R 6, 8 for Senwabarwana Sports Complex phase 3,

R 500 000 for Eldorado sports complex (to improve lighting)

Re beetše tšhelete ya go lekana R 1, 4 M go hlabolla merero ya dipapadi,bokgabo le setšo

### **Maneneo a amana le tša Special focus.**

Cllr Makhura re beetše thoko tšhelete ya go lekana R810 000 go thekga maneneo a special focus. Ona a akaretša baswa,bagolofadi,tša bong bjalo bjalo

### **Twantšho ya HIV/Aids**

Re beetše thoko tšhelete ya go lekana R200 000 go thuša lefapha la tša maphelo mererong ya twantšho ya HIV/Aids

### **Kabo ya ditirelo tša mahala**

Masepala o na le lenaneo la bahloki leo re le kaonafatšago ngwaga ka ngwaga. Se ke go netefatša gore re abela bahloko ditirelo tša mahala go swana le meetse a mahala(ka thušano le CDM),mohlakgase wa mahala,go olela ditlakala.

Re beetše thoko mašeleng a ditirelo tša mahala ka tsela ye;

Free basic electricity R 1,7M

Free basic waste removal R 1,5 M

Ditekanyetšo tša meetse a mahala di aba ke CDM

### **Palomoka ya ditekanyetšo**

Madam Speaker palomoka ya ditekanyetšo e eme ka tsela yeo latelago

The total Draft Budget Revenue for 2018/19 is at **R 306 million** which is less than last year's budget (R 322 million) by **R 16 million**, the main cause for decrease is because of non-increase on the grant allocation and own revenue. The total grant revenue budget of Blouberg Local Municipality for the 2018/19 financial year is at **R 237 million** which is more than last year budget by **R 9 million**. The total Own revenue is at **R 69 million** which is more than last year's budget by **R 6 million** due to decrease on sale of site and other sources of income.

The total Capital Draft Budget for 2018/19 is amounting to **R 57 Million**, which is equals to 20% of the total Operation budget. In the outer years this amount totals **R60, 6 Million**, for the 2018/19 and **R 61, 7 Million** financial year.

Madam Speaker re tšwa kgolo ka leeto la kabo ya ditirelo. Re swanetše go tšwela pele go Iwantšha ditlholtlo tšeо re lebanego le tšona lehono.

We therefore table the IDP/Budget 2018/19 in terms of Municipal Systems Act, Municipal Finance Management Act and Municipal Budget Report Regulations for adoption. We further submit the following budget related policies for public participation:

1. **Indigent support policy.** For the 2017\18, the indigent policy threshold was R 3,200 per household, but for the 2018\19, the indigent policy threshold will be revised to **R 3,400** per household, and an introduction of a **70% discount to pensioners**.
2. **Supply chain management policy.**
3. **Tarrif structure**
4. **Impairment policy.**
5. **Cost containment policy,**
6. **Asset management policy**
7. **Cash management policy**
8. **Investment Policy**
9. **Fund Reserve policy**
10. **Unauthorized ,Irregular, Fruitless and wasteful expenditure policy**
11. **Budget Policy, and lastly**
12. **Rates policy**

Ke a leboga

**Cllr Mashalane**

**Acting Mayor; Blouberg Local Municipality**

## **1.2 Resolutions**

**2018/2019 MTREF Budget Resolutions:**

In terms of section 16 (2) of the Municipal Finance Management Act, Act 56 of 2003, says the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year

In section 17 it is further said that the budget must be a schedule in the prescribed format-

Setting out realistically anticipated revenue for the budget year from each revenue source;

Appropriating expenditure for the budget year under the different votes of the municipality;

Setting out indicative revenue per source and projected expenditure by vote for the two financial years following the budget year;

Setting out estimated revenue and expenditure by vote for the current year; and

Actual revenue and expenditure by vote for the financial year preceding the current year.

Any further proposed amendment to the municipality's Integrated Development Plan following the annual review of the Integrated Development Plan in terms of section 34 of the Municipal Systems Act.

### **Recommended resolutions:**

That COUNCIL,

1. in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
  - a) Approve the draft annual budget of the Blouberg municipality for 2018/19, and specifically appropriating the amounts for the different votes, and for single-year and multi-year capital expenditure,
  - b) Approve all rates, taxes and tariffs for services provided by the municipality,
  - c) Approve the measurable performance objectives for the annual budget for each year of the medium term revenue and expenditure framework,
  - d) Approve the entire draft budget related policies or amendments to such policies
2. The Council of Blouberg Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2018 the tariffs for other services, as set out in Annexure B policy document.

### **1.3 Executive Summary**

This budget compiled in line with the Municipal Budgeting and Reporting Regulation (MBRR) notice no 31804 of 2009 provides comparative financial over a seven year period commencing in the 2014/2015 budget year to 2020/21 budget year. National Treasury's various Budget Circulars introduced since the beginning of MFMA reforms in 2004 as well as the latest being circular 78,79 , 82 ,85 86 , 89 and 91 were used to guide the compilation of the draft 2018/2019 – 2020/2021 annual budget and MTREF. The planning of the budget involved consideration of all factors, which had far reaching implications on the annual budget of the municipality..

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial management.

The preparation of the 2018/2019 medium Term revenue and Expenditure Framework (MTREF) were an extremely challenging, with considerable potential impacts on core service delivery cost and revenue components which influenced the outcomes of MTREF. Another challenge is lower revenue collection due to non-payment by residents and deficit on none cash item e.g. Depreciation.

The Municipality has anticipated on implementing a variety of revenue collection strategies to optimize the collection of debt owed by consumers and also circulating its credit control and debt collection policy.

### **1.3.1 The following issues were the challenges in the assumption of funds when preparing the 2018/19 draft budget:**

- Service delivery backlog against the available resources ; especially internal street.
- Initiatives to improve the current payment aspects.
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality
- Affordability of capital projects – original allocations had to be reduced because of allocation of MIG Grant.

- Requirement with regard to upgrading and maintenance of existing roads and other service networks (Re-gravelling of internal streets).
- The non-payment of services charges by communities is a call for concern and strategies must be developed to ensure that the municipality is able to collect.
- Departmental requirements regarding the filling of critical and vacant positions.

### **1.3.2 The following assumption were used in compiling the budget,**

- In terms of DORA allocation, municipality allocated the following grant :

OPERATING GRANTS AND SUBSIDIES	<b>Medium Term Revenue and Expenditure Framework</b>		
	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Description			
EQUITABLE SHARE	167,730,000	182,071,000	195,348,000
FINANCIAL MANAGEMENT GRANT	2,534,000	2,534,000	2,534,000
MUNICIPAL SYSTEM IMPROVEMENT	1,055,000	-	-
NATIONAL SKILLS FUND GRANT (NSFG)	13,870,726	-	-
EXPANDED PUBLIC WORKS PROGR INTERGRA	1,089,000	-	-
CDM GRANTS	3,000,000	-	-
<b>SUBTOTAL OPERATING GRANTS AND SUBSI</b>	<b>189,278,726</b>	<b>184,605,000</b>	<b>197,882,000</b>
CAPITAL GRANTS AND SUBSIDIES			
MUNICIPAL INFRASTRUCTURE GRANT (MIG)	43,491,000	44,350,000	46,725,000
MUNICIPAL ELECTRIFICATION (INEP)	4,295,000	19,200,000	19,200,000
<b>TOTAL</b>	<b>47,786,000</b>	<b>63,550,000</b>	<b>65,925,000</b>
<b>TOTAL GRANTS</b>	<b>243 438 343</b>	<b>224 139 000</b>	<b>230 290 000</b>

- Tariff Structure

- Refuse 6%
- We only receive the commission amount from Capricorn district as we are not water authority.
- Other services 6% e.g photo copies, Advertisement
- Rates no increase same as last financial year

CATEGORY	CURRENT TARIFF	PROPOSED TARIFF (CENT IN A RAND)
Residential	0.0059	0.0059
Residential property consent use	0.0094	0.0094
Residential impermissible or illegal use	0.0118	0.0118
Residential vacant land	0.0083	0.0083
Farms	0.0083	0.0018
State owned properties	0.0349	0.0349
Businesses\ commercial	0.0083	0.0083

- Remuneration of councilors: The municipality considered the gazette on the Remuneration of Public Office Bearers Act.
- General Expenses: the municipality consider the MFMA Circular No.82 for cost Containment Measures.
- Ensuring that expenditure is aligned to revenue and that the municipality has sufficient cash to finance the expenditure.
- Ensuring that “back to basics” approach will be continuing, focus on improving service delivery, accountability and financial management.
- The Draft municipal cost Containment Regulation as published.
- Ensuring that municipality focus on core service delivery functions and reduce costs without adversely affecting basic services
- Ensure that the municipality avoids borrowings due to the dependence on grant revenue.
- Ensure that the budget respond to priorities enlisted in the IDP.
- Ensuring eradication of non-priority spending (cost containment measures) and the reprioritization of expenditure relating to core infrastructure continue to inform the planning framework
- Ensure that service is cost effective, affordable and sustainable.
- Ensure that realistic revenue targets are set based on trends.

- Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate
- Participating fully in the Expanded Public Works Programme; and
- Implementing interns programmes to provide young people with on-the-job training.
- Electricity tariffs will be increased after receiving approval from NERSA as the process is currently with 6 % proposal.
- National guide on the application of MFMA circular 89 and 91

### **1.3.3 BUDGET SUMMARY**

**The following budget principles and guidelines directly informed the compilation of the tabled 2018/19 MTREF:**

- The 2017/18 Adjustments Budget
- The sustainable development goals

The spending on non-core activities has been reviewed and austerity measures have been introduced to reduce spending as outlined on the draft municipal cost Containment Regulation.

**National Treasury's MFMA Circular No. 91 was used to guide the compilation of the 2018/19 MTREF.**

The preparation of 2018/19 budget is prepared in accordance with National Treasury MFMA Circular No. 91, municipal financial system and process requirement in support municipal standard chart of account (mSCOA).

In view of the aforementioned, the following table is a consolidated overview of the proposed 2018/19 Medium-term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the 2018/19 MTREF**

<b>Description</b>	<b>Budget Year</b>	<b>Budget Year</b>	<b>Budget Year</b>	<b>Budget Year</b>
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
Total Revenue	R322,553,011	R306,353,037	R323,313,100	R342,177,107
Total Operating Expenditure	R300,911,988	R291,379,426	R296,062,096	R306,898,076

Total Capital Expenditure	R66,041,024	R57,640,450	R67,650,000	R72,125,000
<b>Surplus/(Deficit) for the year</b>	<b>-R44,400,001</b>	<b>-R42,666,839</b>	<b>-R40,398,996</b>	<b>-R36,845,969</b>

Total operating revenue has decrease by R16.2 million in the 2018/19 budget year when compared to the 2017/18 Budget. For the two outer years, operational revenue will increase by R16.9 million in the 2019/20 and will increase by R 18.8 million in the 2020/21 financial year.

Total operating expenditure for the 2018/19 budget year has decrease by R9.5 million when compared to 2017/18 Budget, and is expected to increase by R 4.6 million in the 2019/20 and increase by R10.8 million in the 2020/21 financial year.

The capital Expenditure for 2018/19 is expected to decrease by R 8.4, further increases of R10.0 million in 2019/20 and increase by R4.4 million in the 2020/21 financial year. This capital income is per 2018/19 DORB allocation plus own revenue.

### 1.3.3.1 Operating Revenue Framework

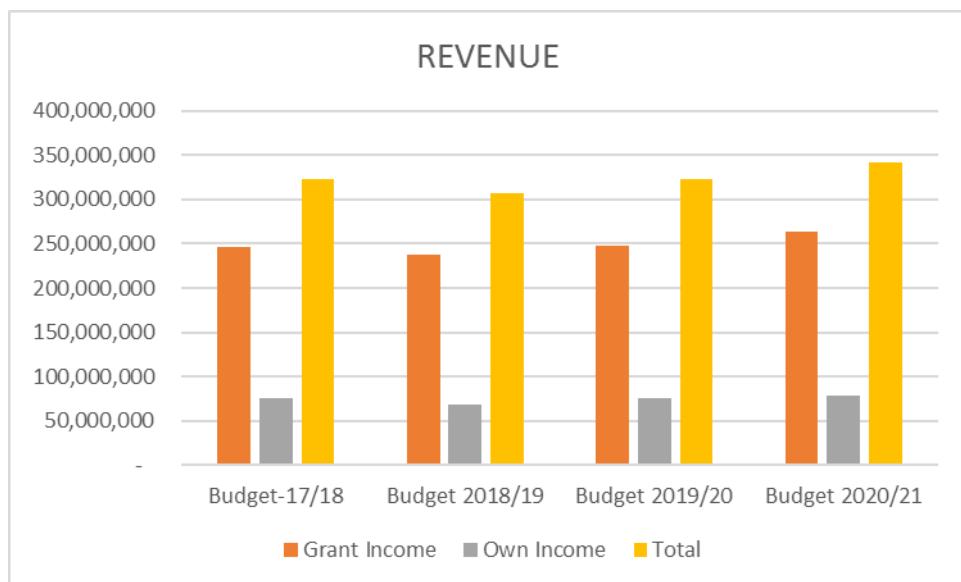
The total revenue in the 2018/19 draft budget, including Property rates, Rental of facilities and equipment, other revenue, Licenses and permits, Interest earned outstanding debtors, Interest external investment, sale of site and transfers recognized operational

The total draft Budget Revenue for 2017/18 is at **R 306.3 million** which is less than last year's budget (R 322.5 million) by **R 16.1 million**, the main cause for decrease is because of the allocation grant from DORA.. The total grant revenue budget of Blouberg Local Municipality for the 2018/19 financial year is at **R 237.0 million** which is less than last year budget by **R 9.3 million** due to grant allocation .The total Own revenue is at **R 69.2 million** which is less than last year's budget by **R 6.8 million** due to decrease on sale of site.

### Table and Graph

Budget-17/18	Medium Term Revenue and Expenditure Framework		
	Budget 2018/19	Budget 2019/20	Budget 2020/21
	Budget 2018/19	Budget 2019/20	Budget 2020/21

Grant Income	246,452,860	237,064,726	248,155,000	263,807,000
Own Income	76,100,151	69,288,311	75,158,100	78,370,107
Total	322,553,011	306,353,037	323,313,100	342,177,107



LIM351 Blouberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Ref 1	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue By Source</b>											
Property rates	2	14,985	20,289	25,065	24,463	24,463	24,463	21,445	26,000	27,560	29,214
Service charges - electricity revenue	2	16,767	16,474	20,191	25,536	25,536	25,536	13,231	27,157	28,782	30,509
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	333	418	406	1,792	792	792	275	792	832	874
Service charges - other											
Rental of facilities and equipment		820	1,091	1,046	300	300	300		315	350	371
Interest earned - external investments		1,040	1,504	2,072	1,500	1,600	1,600		1,500	1,590	1,685
Interest earned - outstanding debtors		388	306	1,961	595	595	595		631	654	693
Dividends received				-	-	-	-		-	-	-
Fines, penalties and forfeits		2,593	1,086	1,273	780	3,380	3,380		3,440	3,614	3,809
Licences and permits		2,161	3,162	3,489	3,669	3,669	3,669		3,672	3,892	4,126
Agency services		-	230	-	1,091	1,091	1,091		150	160	170
Transfers and subsidies		122,143	152,320	185,947	195,153	195,153	195,153		189,279	184,605	197,882
Other revenue	2	1,443	26,070	1,567	13,803	14,203	14,203	4,008	5,102	7,163	6,328
Gains on disposal of PPE											
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>162,673</b>	<b>222,951</b>	<b>243,017</b>	<b>268,681</b>	<b>270,781</b>	<b>270,781</b>	<b>38,959</b>	<b>258,038</b>	<b>259,203</b>	<b>275,662</b>

### **Property Rates :**

The following were considered during the tariff and rates increase; local economic conditions, cost drivers, affordability of services and poverty and indigents. As the municipality is not profit driven, the breakeven of costs and revenue will be an acceptable ratio unlike providing service at a loss and an ever increasing debtor's book which will be close to impossible and costly to collect due to non payment.

Therefore the budget for property rates for the 2017/18 financial year is budgeted at **R26 , 0 million** and the outer years the budget is at **R27.5 million** and **R 29.2 million**, this increase for 2018/19 is based on the supplementary valuation roll. .

### **Electricity:**

The Electricity revenue for 2017/18 was **R 26,0 million** and for draft budget 2018/19 is at **R 26.6 million** the budget shows increase as compare with last year 's budget . The reason being for increase is cause by the proposal made to NERSA (6%) and the fact that each and every year municipality electrify more villages. The free basic electricity of 50kwh per month is provided to each household who qualify the definition of indigent.

### **Water and sanitation**

Municipality is not a water authority as a result the services belongs to the Capricorn district municipality, therefore Capricorn district municipality took over services charges both water and sanitation. Therefore there is a zero budget in municipal budget for 2018/19 financial year.

The municipality budget only the commission of R0.150 million as per SLA agreement.

### **Refuse:**

The Refuse for 2017/18 budget was **R0.800 million** and for 2018/19 financial is **R0.800 million**.

### **Traffic services:**

The municipal traffic services for 2017/18 was **R 3.6 million** and for draft budget 2017/18 is at **R 3.6 million**, it shows no increase or decrease because of 80/20 per cent share with department of Transport, therefore the municipality relies that at the end of financial year municipality would not collect **R 3.6 million** as we considering the current collection.

## Fine

The municipal fine budget for 2017/18 was **R 3.3 million** and draft budget for 2018/19 is at **R 3.4 million**

## Other income:

The municipal other income for 2017/18 was at **R 13.8 million** and for draft annual budget 2018/19 is at **R5.1 million**, it shows an decrease because of the small portion of site to be sold on 2018/19 .

## GRANTS AND SUBSIDIES

The municipality expects the following grants as per DORA: Conditional and unconditional grant.

### Conditional grant are as follows:

- Municipal finance grant
- Municipal infrastructure grant
- INEP
- EPWP
- Municipal system improvement
- National skills fund grant

Table:

OPERATIONAL :GRANT	Budget-16/17	Medium Term Revenue and Expenditure Framework		
		Budget 2017/18	Budget 2017/18	Budget 2018/19
NAT DPT AGEN NAT SKILLS FUND	20,098,343	13,870,726	-	-
NGOV: EXPANDED PUBLIC WORKS GRT SCH	1,562,000	1,089,000	-	-
NGOV: CDM GRANT	4,550,000	3,000,000	-	-
NGOV: LOCAL GOV FIN MANAG GRT SCH 5	2,533,000	2,534,000	2,534,000	2,534,000
NGOV: MUNICIPAL				

DEMARCATION SCH 5B	3,044,000	-		
MUNICIPAL SYSTEM IMPROVEMENT	-	1,055,000		
NATIONAL REVENUE FUND: EQUITABLE SHARE	161,111,000	167,730,000	182,071,000	195,348,000
<b>SUB TOTAL : OPERATIONAL :</b>	<b>192,898,343</b>	<b>189,278,726</b>	<b>184,605,000</b>	<b>197,882,000</b>
<b>CAPITAL :</b>				
NGOV: MUNICIPAL INFRASTRUCTURE GRAN	46,554,517	43,491,000	44,350,000	46,725,000
NGOV: INEP	7,000,000	4,295,000	19,200,000	19,200,000
<b>SUB TOTAL : TRANSFERS &amp; SUBSIDIES</b>	<b>53,554,517</b>	<b>47,786,000</b>	<b>63,550,000</b>	<b>65,925,000</b>
<b>TOTAL GRANT REVENUE BUDGET</b>	<b>246,452,860</b>	<b>237,064,726</b>	<b>248,155,000</b>	<b>263,807,000</b>

### Unconditional grant

 Equitable share

Table:

Description	Medium Term Revenue and Expenditure Framework		
	Budget	Budget	Budget
	2018/19	2019/20	2020/21
EQUITABLE SHARE	167,730,000	182,071,000	195,348,000
<b>TOTAL</b>	<b>167,730,000</b>	<b>182,071,000</b>	<b>195,348,000</b>

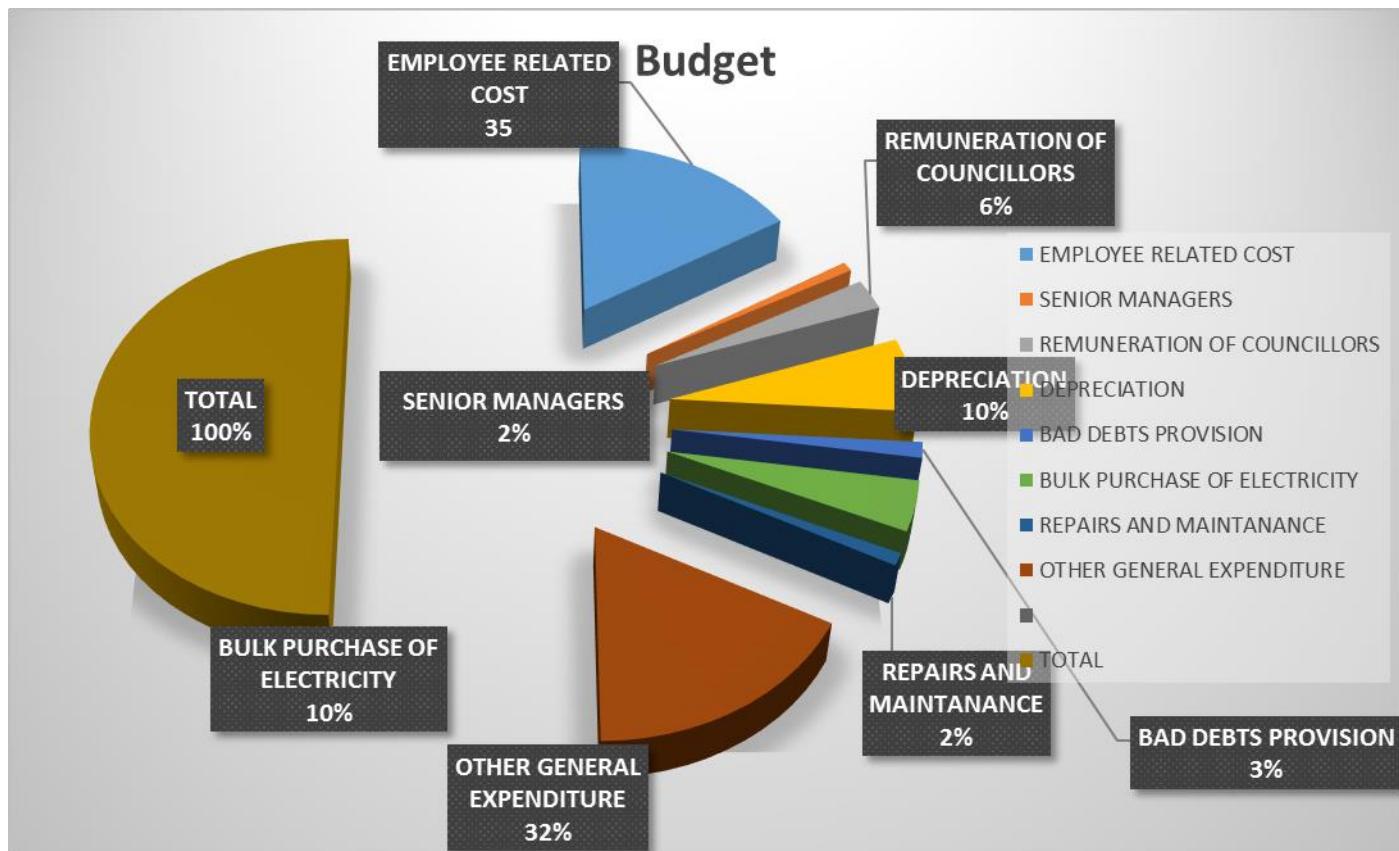
#### 1.3.3.2 Operating Expenditure

Total operating expenditure in the 2018/19 draft budget includes the, Employee related cost, Remuneration for councillors, Depreciation and assets impairment, Debts impairment, Contracted services, and Other expenditure

The total operating draft budget for 2017/18 financial year is estimated to **R 304,7 million** which shows an increase from last year's budget (**R 280,8 million**). The operating expenditure for the outer years has decreased. The operating expenditure for the outer years has decreased. The decrease is as a result of the skills grant that will be discontinued and the lapsing of the MDTG and EPWP which made provision for a single financial year. The municipality has eliminated spending on non-priority items or activities to give way for service delivery priorities. The operating expenditure includes non-cash item of **R 63,7 million** which causes a deficit as the municipality given the fact that it is rural and unable to absorb these items through tariff setting considering the level of poverty and affordability.

**Table and Graph**

	Medium Term Revenue and Expenditure Framework			
	Budget-17/18	Budget 2018/19	Budget 2019/20	Budget 2021/22
EMPLOYEE RELATED COST	97,661,593	102,309,062	108,447,606	114,954,462
SENIOR MANAGERS	5,012,013	5,331,965	5,651,882	5,990,995
REMUNERATION OF COUNCILLORS	15,826,810	16,756,623	17,762,020	18,827,742
DEPRECIATION	38,314,841	39,314,841	41,673,731	44,174,155
BAD DEBTS PROVISION	8,074,410	8,156,036	8,496,031	9,005,793
BULK PURCHASE OF ELECTRICITY	25,758,000	30,000,000	31,800,000	33,708,000
REPAIRS AND MAINTANANCE	6,211,235	5,570,000	5,904,200	6,258,452
OTHER GENERAL EXPENDITURE	104,053,086	83,940,899	76,326,625	73,978,477
<b>TOTAL</b>	<b>300,911,988</b>	<b>291,379,426</b>	<b>296,062,096</b>	<b>306,898,076</b>



## Salaries

The budgeted allocation for employee related costs for the 2018/19 financial year totals R 107.6 million which equals to 37% of the total operating expenditure. An annual increase of 8 % has been included in the two outer years of the MTREF.

The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality's budget. A six (6) percent is proposed for councilors and 8% for senior managers.

There are no vacant posts that are included in the annual budget.

The Remuneration of councilors is based on 44 Councilors

## **Bulk Purchase,**

The bulk purchase expenditure is mainly expenditure for bulk electricity purchase from Eskom and the draft budget for 2018/19 is amounting to **R 30.0** million it shows increase as compare with last year 's budget of **R 25,7** million due to the fact that each and every year municipality electrify more villages . The municipality also provides provision of free basic electricity to those who qualify the definition of indigents. The indigent policy directs that all households earning a collective income of pensioners not exceeding **R 3,400.00** per month classified to fall under needy consumer's category

## **Operation: Repairs and Maintenance**

The repairs and maintenance for Blouberg municipality is for materials (machinery and equipment) and roads maintenance and we are going to use our employee to do the work. The total allocation for 2018/19 is at **R 5,5 million** it shows decrease as compare with last year's budget of **R 6.2million**. Municipality also make a provision for renewal of assets amounting to **R 1.0 million**.

## **Depreciation**

The Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total **R39.3 million** for the 2018/19 financial.

## **Other Expenses**

In the 2016 State of the Nation Address by the President, the cost containment measures announced by the Minister of Finance in 2013 were re-emphasised. It was highlighted that excessive and wasteful expenditure must be reduced. The total general expenses for administrative purposes were reviewed in order to identify and curb wastage as per MFMA circular 82. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Expenditure growth has been limited to 6 per cent for 2017/18 even though the MFMA circular has determined a ceiling at 6.4% given the fact that our inflation targeting of between 3 and 6 percent forecast in terms of actual gives a different picture of more than 6% and shows stabilising at around **5.7** and during the 2018/19 and 2019/20 financial year.

The allocation amount of other Expenses is amounting to R 72.8.

LIM351 Blouberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Ref 1	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Expenditure By Type</b>											
Employee related costs	2	69,842	77,443	87,556	101,539	102,870	102,870	65,050	107,641	146,359	153,719
Remuneration of councillors		12,139	12,906	17,510	17,584	19,013	19,013		16,757	17,762	18,828
Debt impairment	3	3,856	10,831	(3,067)	8,074	8,074	8,074		7,559	8,012	8,413
Depreciation & asset impairment	2	51,686	31,712	33,726	38,000	38,315	38,315	–	39,315	41,674	44,174
Finance charges		–	372	314	–	–	–				
Bulk purchases	2	19,313	23,268	26,042	25,758	25,758	25,758	17,532	30,000	34,800	36,888
Other materials	8	1,895	5,525	5,441	5,571	6,211	6,211		4,520	7,291	7,729
Contracted services		3,160	3,582	5,923	12,000	11,500	11,500	6,713	12,705	15,467	14,954
Transfers and subsidies		–	–		–	–	–	–	–	–	–
Other expenditure	4, 5	39,918	54,785	76,772	85,994	89,171	89,171	55,981	72,883	49,956	54,967
Loss on disposal of PPE		262	518								
<b>Total Expenditure</b>		<b>202,072</b>	<b>220,942</b>	<b>250,217</b>	<b>294,520</b>	<b>300,912</b>	<b>300,912</b>	<b>145,276</b>	<b>291,379</b>	<b>321,321</b>	<b>339,671</b>

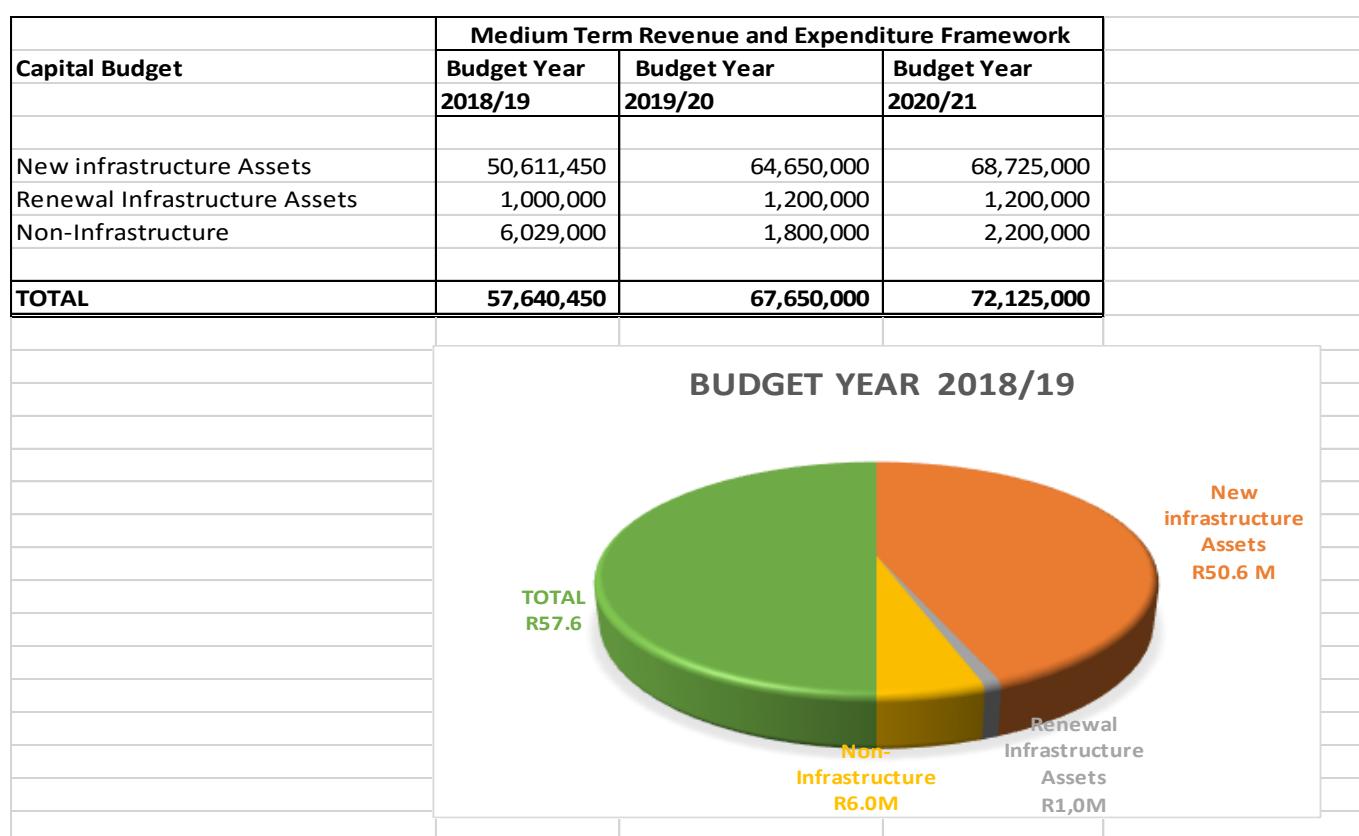
### 1.3.3.3 Capital Expenditure

The following table shows capital budget:

The total Capital Draft Budget for 2018/19 is amounting to **R 57.6 Million** which is equals to 20% of the total draft Operating budget. In the outer years this amount totals **R67.6 Million**, for the 2019/20 and **R 72.1 Million** financial year.

Total new assets represent R50.6 million Infrastructure and R 6.0 million for non-infrastructure of the total capital budget while the renewal or refurbishment of assets amount to R 1.0 Million which represent 2% of the total asset budget. Further detail relating to asset classes and proposed capital expenditure is contained in MBRR A9 (Asset Management). In addition to the MBRR Table A9, MBRR Tables SA34a, b, c provides a detailed breakdown of the capital programme relating to new asset construction as required

Table and Graph:



### Funding of Capital Projects

<b>BUDGET 201819</b>	
<b>Capital Funding</b>	
<b>Descriptions</b>	<b>Amount</b>
<b>Internally generated fund</b>	<b>12,029,000</b>
<b>MIG Grant</b>	<b>41,316,450</b>
<b>INEP Grant</b>	<b>4,295,000</b>
<b>TOTAL</b>	<b>57,640,450</b>

Funding's of capital projects is as follows:-

### **Expenditure on Conditional Grants Allocation**

#### **Municipal Infrastructure Grant**

The MIG funds the provisions of infrastructure to provide basic services, road and social infrastructure for poor households in all municipal areas. MIG finance all the projects approved by COGTA. The 2018/19 projects would be as follows:-

<b>BUDGET 201819</b>	
<b>Capital Funding: MIG</b>	
<b>Description</b>	<b>Amount</b>
ROADS INFRA - IU C: ACQUISITION SENWABARWANA PHASE 9	6,998,125
ROADS INFRA - IU C: ACQUISITION SENWABARWNNA PHASE 10	6,998,125
ROADS INFRA - IU C: ACQUISITION KROEMHOEK PHASE 3	6,325,000
ROADS INFRA - IU C: ACQUISITION KROMHOEK PHASE 4	6,325,000
ROADS ASSETS - IU C: ACQUISITION AVON	7,850,200
COMMUNITY ASSETS - IU C: ACQUISITION SENWABARWANA SPORTS	6,820,200
<b>TOTAL</b>	<b>41,316,650</b>

#### **Integrated National Electrification Grant (INEP)**

The INEP funds would use to fund the electrification projects as per 2018/19 budget, which are as follows:-

<b>BUDGET 201819</b>	
<b>Capital Funding: MIG</b>	
<b>Description</b>	<b>Amount</b>
<b>Electrification of Witten</b>	<b>3,300,000</b>
<b>Electrification of Raweshi</b>	<b>154,000</b>
<b>Electrification of Cracouw</b>	<b>280,000</b>
<b>Electrification of Oldlongsign</b>	<b>140,000</b>
<b>Electrification of Earlydawn</b>	<b>280,000</b>
<b>Electrification of Lekgwara</b>	<b>141,000</b>
<b>TOTAL</b>	<b>4,295,000</b>

#### **Performance indicators for capital budget**

- Percentage of households with access to community halls within 10 kilometer radius.
- Percentage of households with access to sports facilities within the 10 kilometer radius.
- Percentage of households with access to pre-school within the 5 kilometer radius.
- Additional internal streets constructed and the number of households benefiting the access roads.
- Renewal of Assets both internal street and Electricity
- Additional cost of infrastructure will provided for municipal additional assets such as furniture, office equipment, upgrading of IT systems at satellite offices etc for day to day administration.

#### **1.3.3.4 Investment**

The municipality is obliged to put aside a certain amount determined by Eskom for guarantee. Blouberg Municipality made provision of R 3,079,000 for Eskom guarantee and also earn interest on that and also invested R 10 ,000,000 .

LIM351 Blouberg - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate <sup>a</sup>	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
<u>Parent municipality</u>														
Parent municipality ABSA 20-7075-00-19 ABSA 20-7651-8423		Months	Eskom Guarantee	3079000	Variable Variable	7.3 7.76	0 0	0 0	09 March 2017 15 March 2017	3,079 10,000	50 164	-	-	3,129 10,164 - - -
Municipality sub-total										13,079		-	-	13,293

### 1.3.3.5 Financial position and summary of medium term revenue and expenditure.

LIM351 Blouberg - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework			
		R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>ASSETS</b>												
<b>Current assets</b>												
Cash		18,523	28,886	41,113	33,079	76,425	76,425	42,017	47,288	50,125	53,132	
Call investment deposits	1	—	—	—	10,000	10,000	10,000	10,527	10,000	10,000	10,000	
Consumer debtors	1	4,032	4,523	8,258	(493)	7,765	7,765	—	9,231	9,785	10,452	
Other debtors		6,181	13,865	12,246	4,426	16,291	16,291	—	4,692	4,973	5,272	
Current portion of long-term receivables		18,693	26,225	61,211	15,893	61,211	61,211	—	16,847	17,858	18,929	
Inventory	2	6,805	3,862	3,879	1,618	3,879	3,879	2,380	1,715	1,818	1,927	
<b>Total current assets</b>		<b>54,234</b>	<b>77,360</b>	<b>126,707</b>	<b>64,524</b>	<b>175,571</b>	<b>175,571</b>	<b>54,923</b>	<b>89,772</b>	<b>94,559</b>	<b>99,712</b>	
<b>Non current assets</b>												
Long-term receivables												
Investments		3,092	3,093	3,093	3,403	3,403	3,403	3,126	3,097	3,079	3,079	
Investment property				205	205	205	205					
Investment in Associate												
Property, plant and equipment	3	760,633	808,306	856,790	945,282	945,282	945,282	—	1,002,108	1,062,235	1,125,969	
Agricultural												
Biological												
Intangible												
Other non-current assets			130	103	—	103	103					
<b>Total non current assets</b>		<b>763,725</b>	<b>811,528</b>	<b>860,190</b>	<b>948,686</b>	<b>948,993</b>	<b>948,993</b>	<b>3,126</b>	<b>1,005,205</b>	<b>1,065,314</b>	<b>1,129,048</b>	
<b>TOTAL ASSETS</b>		<b>817,959</b>	<b>888,889</b>	<b>986,897</b>	<b>1,013,209</b>	<b>1,124,565</b>	<b>1,124,565</b>	<b>58,049</b>	<b>1,094,978</b>	<b>1,159,872</b>	<b>1,228,760</b>	
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Bank overdraft	1											
Borrowing	4			—	—	—	—	—	—	—	—	
Consumer deposits		0										
Trade and other payables	4	40,470	56,080	53,284	4,288	37,296	37,296	22,529	4,355	4,732	4,132	
Provisions		5,346	6,543	7,335								
<b>Total current liabilities</b>		<b>45,817</b>	<b>62,624</b>	<b>60,619</b>	<b>4,288</b>	<b>37,296</b>	<b>37,296</b>	<b>22,529</b>	<b>4,355</b>	<b>4,732</b>	<b>4,132</b>	
<b>Non current liabilities</b>												
Borrowing		—	—	—	—	—	—	—	—	—	—	
Provisions		13,639	13,796	13,515	3,231	12,368	12,368	—	2,830	2,152	2,281	
<b>Total non current liabilities</b>		<b>13,639</b>	<b>13,796</b>	<b>13,515</b>	<b>3,231</b>	<b>12,368</b>	<b>12,368</b>	<b>—</b>	<b>2,830</b>	<b>2,152</b>	<b>2,281</b>	
<b>TOTAL LIABILITIES</b>		<b>59,456</b>	<b>76,420</b>	<b>74,134</b>	<b>7,519</b>	<b>49,664</b>	<b>49,664</b>	<b>22,529</b>	<b>7,185</b>	<b>6,884</b>	<b>6,413</b>	
<b>NET ASSETS</b>	5	<b>758,504</b>	<b>812,469</b>	<b>912,763</b>	<b>1,005,690</b>	<b>1,074,901</b>	<b>1,074,901</b>	<b>35,520</b>	<b>1,087,793</b>	<b>1,152,988</b>	<b>1,222,347</b>	
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		758,504	812,469	912,763	1,005,690	1,074,901	1,074,901	35,520	1,087,793	1,152,988	1,222,347	
Reserves	4	—	—	—	—	—	—	—	—	—	—	
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>758,504</b>	<b>812,469</b>	<b>912,763</b>	<b>1,005,690</b>	<b>1,074,901</b>	<b>1,074,901</b>	<b>35,520</b>	<b>1,087,793</b>	<b>1,152,988</b>	<b>1,222,347</b>	

### **1.3.3.6 MUNICIPAL PRIORITIES**

The municipal priorities change in respect of the target set for the term of the council.

<b>NO</b>	<b>MUNICIPAL PRIORITIES</b>
01.	Enhance Economic Development, Job Creation and Partnerships
02.	Access to Water and Sanitation
03.	Improved and better Roads and Public Transport infrastructure
04.	Human Resource Development
05.	Institutional Development and Financial Sustainability/Sound financial Management and Financial Viability
06.	Access to Sports and Recreational Facilities
07	Provision of Sustainable, Alternative and Green Energy
08.	Rural Development and Urban Renewal
09.	Healthy and safer Environment and Waste Management
10.	Better Health and Welfare services
11.	Sound Land Use Development Management
12.	Emergency Services and Communication

### **Provision of Free Basic Services : Basic and social infrastructure needs**

This analysis will focus on the provision of basic and social infrastructure needs for Blouberg communities. More emphasis will be on the provision of services such as water, sanitation, energy, and roads.

### **3. ELECTRICITY**

Electricity is part of life and economic development. This relates to improved living conditions. Electricity is a basic need for communities. The municipality has a license to electrify the area that does not fall under Eskom supply area.

The main objective of Blouberg Local Municipality was to provide electricity to all households by 2014. The Municipality is a licensed electricity distributor and by 2013 all settlements were electrified save for extensions.

The Municipality has thus reached the universal access by providing electricity to all established settlements, save for the extensions. The Hananwa settlement at the top of Blouberg Mountains has also been granted solar energy. Currently the municipality is busy with the electrification of extensions and about 500 houses have been provided with solar geysers in Alldays Speaker Park. The mega solar energy plant has been construction at Zuurbult farm and it supplies solar energy to the nearby power station. The project has diversified energy sources within the Municipality and this will assist in alleviating power outages in the municipal area and the neighboring municipality of Molemole.

#### **3.2 STATUS QUO**

#### **ELECTRICITY SUPPLY TO HOUSEHOLDS**

All the settlements in the municipality have been supplied with electricity while Hananwa has been supplied with solar energy as it is at the top of the Blouberg Mountains. Currently the municipality is busy electrifying the extensions.

MUNICIPALITY	POPULATION	% of	% of Households with access to	% of households	
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		Households	Electricity		with no Electricity		
Municipality	Population	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
Blouberg	162 625	99.2%	99,5 %	97 %	0.71%	0,5%	3 %

The table above is the combination of Eskom and Municipality Villages.

### **3.3. PROVISION OF FREE BASIC ELECTRICITY**

The municipality as well as ESKOM provides free basic electricity of 50 KWA to its indigent residents per month. Such indigents are captured in the municipal indigent register which is updated from time to time. Field cashiers have been appointed in all the 22 wards to register and update the indigent register as well as a register of all municipal customers.

### **3.4. Free Basic Alternative Energy(FBEA)**

The Municipality provide free basic alternative energy to households that do not have electricity. The municipality provides gels, stoves and solar lamps to these households. Currently 11 villages benefit from this program me.

### **3.5. CHALLENGES**

The Municipality currently has a backlog of 3 % which translates to 1334 households, in ESKOM supply extension areas. The main challenge is lack of funding and delays in the approval of designs, and in some instances also energizing due to misunderstandings between the Municipality and ESKOM. There is also a challenge of distribution loss in that the funds used in the bulk purchase of electricity are so huge with low return. The challenge of illegal connection exists. There is also shortage of personnel to do meter auditing to determine exactly the cause of distribution loss.

### **3.6. INTERVENTIONS**

The municipality has engaged ESKOM and the Department of Energy to transfer electricity infrastructure in the town of Senwabarwana to the municipality so that council can take full control of such infrastructure to accommodate the growth of the town and also assist in aligning such with the municipal billing system. The Municipality has further engaged ESKOM, CDM and the Department of Energy to assist in the development of the energy master plan. One other intervention has been to engage ESKOM with a priority list of settlements which should be provided with connections as a result of the growth of such settlements and in the 2016/2017 financial year settlements such as Sesalong, Bognafarm, Schoongezicht, Grootdraai, Papegaai and Towerfontein have been connected. In the 2014\15 FY there was a delay in the implementation of ESKOM projects but at these stage contractors have been appointed. The Blouberg Municipality has recently electrified and energized settlements such as Silvermyn, Motadi, Gideon, Diepsloot, and Mongalo. The municipality has enlisted the services of field cashiers to conduct meter auditing exercise to assist in the curbing of illegal connections and distribution loss.

### **3.5.2 ROADS AND STORM WATER**

The Municipality takes the responsibility of ensuring that all municipal roads are in a good condition for use by vehicles and other land modes of transport. The municipality also takes care of storm water control which poses a serious threat to the access roads and internal streets.

### **3.8. STATUS QUO**

#### **CLASSIFICATION OF MUNICIPAL MAJOR ROADS**

Road Number	Route	Category
N11	Mokopane via Blouberg and Lephalale to Botswana	Nationally

R 521		Provincial
R 572	Alldays to Maastroom	Provincial
<b>Road Number</b>	<b>Route</b>	<b>Category</b>
R 561	N11 to Maastroom	Provincial
D 3325	Ga-Moleele to Harris which via Gemarkie	Provincial
D 3270	Springfield to Vergelegen	Provincial
D 3278	Buffelshoek Clinic via Bahanaqua Tribal Office to Inveraan	Provincial
D 3327	Mashalane to Bull-Bull	Provincial
D 3278	Dalmyne to Bull-Bull	Provincial
D1589, D3297, D3292	De Vrede via Raditshaba to Eldorado	Provincial
D1200, D688, D2657	Dendron via Makgato to N1 (Botlokwa)	Provincial
D1468	Puraspan to Indermark	Provincial
D 3330, D3474, D3440	Ga Moleele, GaDikgale, GaLetswalo, Raweshi, Pollen, Mons, Swartz to Driekoppies	Provincial

D3275-D3287	Windhoek to Eldorado	Provincial
D3322	Blouberg health centre via Bahananwa Tribal Office to Buffelshoek	Provincial

The Limpopo Department of Roads and Transport takes responsibility of the provincial road network and some of the District Roads (although not clearly defined) within the Municipality's area of jurisdiction. The total length for the Provincial road network is approximately 960km, from which 262km is surfaced and 698km is gravel, leaving a backlog of 73%.

The condition of most of the Provincial gravel roads is not so good, but the Limpopo Department of Roads and Transport performs maintenance on these roads. They re-gravel and construct culverts for some of these roads. They are also currently running an EPWP program whereby over 600 people have been employed from within the Municipality's communities, specifically for the cleaning of road reserves alongside the main roads, and other routine maintenance of the surfaced roads.

Blouberg Municipality takes responsibility for the municipal roads network. The total length of Blouberg road network is approximately 640km, from which 215km is access roads and 425km is internal Streets. The conditions of municipal roads and stormwater facilities are very poor. Most of the roads are not accessible during rainy days as they become water logged. Roads in settlements next to mountains have been damaged by uncontrolled surface run-off water from the mountains with villages such as Mokwena, Burgerught, Kgatla, Leipzig and Inveraan been badly affected. Ward one settlement also encounter serious challenges of roads and storm water. The Municipality has only managed to surface 35 kilometers of the internal streets from the Municipal Infrastructure Grant that is allocated to the Municipality annually (also utilized for other Infrastructure Projects). There is still a total backlog of approximately 605 km which also includes access roads, translating to 96% of backlog. The Municipality's Technical Services Department has a Roads and Storm Water Unit that deals mainly with the maintenance of municipal roads. The Unit is divided into three (3) clusters that operate from

Eldorado, Buffelshoek and Indermark. Each of these clusters has a group of villages that it is responsible for, and with the minimal resources that the Municipality has, it has also distributed them amongst these clusters and in some instances the resources are shared. A list of priority Roads, also serving as a Roads maintenance plan has been compiled for each of the clusters.

### **3.9. CHALLENGES**

The main challenge is the huge percentage of backlog for municipal roads. The Municipality depends fully on the Municipal Infrastructure Grant (MIG) for the implementation of roads projects and the grant is never sufficient to make an impact on backlogs as it is also utilized on other infrastructure projects other than roads.

Due to lack of funds, currently there is no Master Plan that is in place, causing poor planning for municipal roads and storm water drainage. Most of the access roads and internal streets are not paved or tarred as the municipality lacks enough funds to implement the project.

Most of the Municipality's gravel roads are in a bad condition and currently there are insufficient resources. Some of municipal resources are even shared amongst the three (3) roads maintenance clusters. There is a shortage of skilled personnel in the municipal roads maintenance unit. The provincial Roads and Transport Department which is also responsible for the operation, maintenance and management of provincial networks of roads has huge capacity constraints thereby causing the municipality with its limited resources to take over the operation and maintenance of most provincial roads.

### **3.10. INTERVENTIONS**

A funding model for the MIG must be reviewed in order to ensure that allocations are distributed in a manner that will create an impact to municipal backlogs over a certain period.

Roads Master Plans must be developed in order to ensure proper planning for Roads and Storm water drainage, also focusing on access roads.

There must be an increase in the number of resources and recruitment of skilled personnel for municipal roads maintenance clusters.

The Department of Public Works and Roads must also allocate sufficient funds to create an impact on the backlog for the provincial roads.

The re-gravelling and maintenance of some internal streets service was outsourced to external service providers as a pilot.

To date areas such as Mokhurumela which had large sand streets are accessible as a result of the project. The other areas where there was bad access streets and roads such as Inveraan are accessible. The municipality has also purchased the low bed truck to transport its plant and machinery to improve on the turnaround time to respond to challenges.

BLOUBERG MUNICIPALITY UPGRADING:GRAVEL TO TAR							
ROUTE PARTICULARS				GROWTH AREAS			
PRIORITY	ROAD NO.	ROADS PARTICULARS	APPROXIMATE LENGTH (km)	LOCAL MUNICIPALITY	GROWTH POINT	LEVEL OF GROWTH POINT	OTHER DEVELOPMENT STRATEGY SUPPORTED
1	D1589, D3297, D3292	De Vrede via Raditshaba to Eldorado	25	Blouberg	Eldorado	Local	Farming, retail development and administrative

2	D1200, D688, D2657	Dendron Makgato to (Botlokwa)	via N1	35	Molemole, Blouberg	Dendron (Mogwadi)	District	SDR, Agriculture, Tourism
3	D1468	Puraspan Indermark	to	10	Blouberg	Avon/ Puraspan	Local	Farming, retail development and linkage with Makhado Municipality
4	D 3330, D3474, D3440	Ga Moleele, GaDikgale, GaLetswalo, Raweshi, Pollen, Mons, Swartz to Driekoppies		30	Blouberg	Senwabar wana	Local	Major Link
5	D3275- D3287	Windhoek Eldorado	to	38	Blouberg	Eldorado	Local	Farming, administrativ e and major access
6	D3322	Blouberg health centre via Bahananwa Tribal Office to Buffelshoek		12	Blouberg	Senwabar wana	Local	Major Access

### 3.11. PUBLIC TRANSPORT

There is one mode of public transport in the municipal area viz road transport. The dominant public transport mode is the minibus taxi while another form of public transport is the bus transport with Great North and Mmabi bus being the main operators. The challenge with the municipal public transport is that it is only available between 6H00 in the morning and 20H00 leaving most commuters stranded outside these stipulated times. The movements of these modes of public transport is towards all the nodal points of Blouberg, viz, Alldays, Senwabarwana, Tolwe and Eldorado while outside Blouberg the major destinations are Musina, Louis Trichardt, Lephalale, Steilloop and Polokwane.

### **STATUS OF TAXI RANK FACILITIES**

LOCATION	STATUS	DESTINATIONS
Senwabarwana	The rank is formal with the following facilities: shelter, loading bays, ablution blocks and hawkers' facilities	The rank covers the rest of Blouberg and destinations such as Polokwane, Johannesburg,
Eldorado	The rank is formal with the following facilities: shelter, loading bays, ablution blocks	The rank covers the rest of Blouberg and areas such as Senwabarwana and it connects to Polokwane via Kromhoek taxi rank
Kromhoek	The rank is formal with the following facilities: shelter, loading bays, ablution blocks and hawkers' facilities	The rank covers the rest of Blouberg and destinations such as Polokwane, Johannesburg and Louis Trichardt
Alldays	The rank is formal with the following facilities: shelter, loading bays, ablution blocks	The rank covers the rest of Blouberg and destinations such as Musina and Louis Trichardt
Windhoek	The rank is informal	It covers Senwabarwana, Steillop
Avon	The rank is informal	It covers Senwabarwana, Vivo, Indermark
Buffelshoek	The rank is informal	It covers Senwabarwana
Vivo	The rank is informal	It covers Senwabarwana, Alldays, Mogwadi and Louis Trichardt
Letswatla	The rank is informal	It covers Senwabarwana

Mamehlabe	The rank is informal	It covers surrounding villages and links with Tibane taxi rank to Polokwane
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### **3.12. PUBLIC TRANSPORT CHALLENGES**

The challenge with the municipal public transport is that it is only available between 06H00 in the morning and 20H00 leaving most commuters stranded outside these stipulated times. The other main challenge is the bad state of roads that increases the operation and maintenance costs of public transport operators. Lack of formal taxi ranks with all related amenities in some strategic area such as Avon, Vivo, Buffelshoek, Windhoek and Harris which remains a challenge. Disputes over operating routes occasionally occur resulting in conflicts among taxi associations.

### **3.13. PUBLIC TRANSPORT INTERVENTIONS**

The roads and transport forum has been established and all taxi associations operating within Blouberg are members of the forum. Recent conflicts between Letswatla and Bochum Taxi associations have been resolved through the intervention of the municipality, SAPS and the District Taxi Council. The matter of accessibility of public transport outside the 06H00 and 20H00 time periods has been referred to the operators for rectification. The state of poor road conditions has been highlighted to the MEC for Roads and Transport for intervention. A priority list for formalization of taxi ranks will be developed by the municipality and the CDM in collaboration with public transport operators. Taxi and bus shelters have been constructed along major routes such as D1200 (Senwabarwana-Windhoek road), Wegdraai to Eldorado road, Letswatla to Windhoek road and D1598 (Kibi to Schiermoonikoog road)

### **3.14. TRAFFIC MANAGEMENT**

The main offices for traffic management are in Senwabarwana. A new traffic station has been constructed and operationalized at Senwabarwana and the services are rendered from the new traffic station. The municipality has rolled out the traffic management services to Alldays and Eldorado, as part of the decentralization of services. The learners' licenses classes are conducted from both Alldays

and Eldorado offices. The Alldays traffic office covers Vivo in Ward 12, ward 17 and 18. The Eldorado office covers both areas of ward 15, 16 and 21. The Alldays traffic office controls traffic to and from Zimbabwe, Musina, Venetia Mine, Botswana, Swaartwater and surrounding villages.

### **STATUS OF TRAFFIC CENTRES**

<b>LOCATION</b>	<b>STATUS</b>	<b>SERVICE</b>
Senwabarwana: Main offices	The centre provides all services and serves as the main office of the municipality.	Fully operational
Eldorado: Satellite office	The traffic service is amongst municipal services decentralized to the Eldorado satellite office.	Semi-operational
Alldays: Satellite office	The traffic service is amongst municipal services decentralized to the Alldays satellite office.	semi –operational

### **3.15. TRAFFIC SERVICES CHALLENGES**

The main challenge remains the road conditions within the municipal area, which pose a threat to the conditions of the vehicles. Other nodal points such as Tolwe, Harris which and Laanglagte are not covered by traffic offices, and as a result, less service is provided to those nodal points. Another factor is the traffic congestion within Senwabarwana town, which results in traffic delays and possible accidents.

### **3.16. TRAFFIC SERVICES INTERVENTIONS**

The challenge related to state of roads could be solved by the development of a road master plan by the Infrastructure Development and Engineering services department in line with the Integrated Transport Plan, which includes re-gravelling, de-bushing and tarring. Traffic congestion could be reduced by establishing a holding area for taxis after off-loading commuters.

### **3.17. REGISTRATION AND LICENSING OF VEHICLES**

The main offices for the registration and licensing of vehicles are in Senwabarwana. The municipality has rolled the service out to Alldays and Eldorado, as part of the decentralization of services plan. The Alldays driver-learner testing centre (DLTC) covers Vivo in Ward 12, ward 17 and 18. The Eldorado office covers both areas of ward 15, 16 and 20.

#### **STATUS OF DRIVER-LEARNER TESTING CENTRES**

<b>LOCATION</b>	<b>STATUS</b>	<b>SERVICE</b>
Senwabarwana: main offices	The centre provides all services including driver testing centre and testing of vehicles, and serves as the main office of the municipality.	Fully operational
Eldorado: satellite office	The centre is amongst municipal services decentralized to the Eldorado satellite office, which provides for learners licensed tests, registration of vehicles and issuing of car discs.	Service to be fully operational without vehicle testing and driver testing.
Alldays: satellite office	The centre is amongst municipal services decentralized to the Eldorado satellite office. which provides for learners license tests, registration of vehicles and issuing of car discs?	Service to be fully operational without vehicle testing and driver testing.

### **3.18. LICENSING AND VEHICLE REGISTRATION SERVICE CHALLENGES**

The main challenge remains the road conditions within the municipal area, which will make it difficult to open a driver-testing centre at Eldorado (no tar road). Another challenge is the informal operations of the driving schools within the municipality and the high charges for testing of the students. Other nodal points such as Tolwe, Harris which, Inveraan and Laanglagte are not covered by services, and as a result, law enforcement service is provided to those nodal points. Another factor is the traffic congestion

within Senwabarwana town, which results in traffic delays and possible accidents. At times it makes it difficult to tests the learners on the road.

### **3.19. LICENSING AND VEHICLE REGISTRATION SERVICE INTERVENTIONS**

The problem related to the informal driving schools could be resolved by establishing a driving schools' forum and training of the schools for efficient management of their schools. The challenge related to state of roads and road markings could be solved by the development of a road master plan by the Infrastructure Development and Engineering services department.

The municipality has constructed the new structure for licensing and vehicle registration to solve the challenge of space.

## **WASTE MANAGEMENT**

### **3.21. STATUS QUO**

The Municipality has developed and adopted an Integrated Waste Management Plan (IWMP) in 2008. The plan was revised in the 2013\14 financial year. The plan serves as a roadmap for the management of solid waste for the entire Municipality with R293 towns and nodal points, plus some rural villages, used as starting points since the capacity available cannot cover the entire municipal wide area. Currently the function is rendered in fourteen settlements on a weekly basis while the towns of Alldays and Senwabarwana receive the service on a daily basis. Currently there are two landfill sites in Alldays and Senwabarwana. A waste transfer station at Taibosch is complete. A waste management team is in place and two waste removal trucks, plus a tractor, have been purchased.

### **THE TABLE BELOW REFLECTS WARD WASTE REMOVAL SERVICE ROLL OUT AND BACKLOGS**

WARD	AVAILABLE	NO. OF HOUSEHOLDS	BACKLOG VILLAGES	ITO WITHIN THE
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			WARD
1	0		11
2	0		7
3	0		6
4	0		9
5	0		7
6	0		5
7	0		6
8	1 DILAENENG	1021	6
9	0		6
10	1 AVON UP TO DIKGOMO	2979	0
11	0		6
12	2. INDERMARK UP TO DIKGOMONG	2136	0
13	2 (BURGERUGHT AND MOTLANA)	554	5
14	0		7
15	2 (KROMHOEK AND DEVREDE)	3650	0
16	0		5
17	2 (GROOTPAN AND LONGDEN)	1200	6
18	2 (TAAIBOSCH AND ALLDAYS)	2967	0
19	2 ( SENWABARWANA TOWN, DESMOND PARK, EXTENSION 5, WITTEN.	4037	0
20	0	0	8
21	0	0	10
22	0	0	5
TOTAL	14	<b>18544 of 41 416 households</b>	109 (24 679 households)

**THE TABLE BELOW REFLECTS WARD WASTE REMOVAL SERVICE ROLL OUT IN THE MUNICIPALITY**

WARD	AVAILABLE	NO. OF HOUSEHOLDS	BACKLOG
01	1 (RAWESHI) INCLUDING MINING AREA	165	10
11	1 (MACHABA)	1670	0
16	1 (ELDORADO)	1234	7
19	2 ( SENWABARWANA TOWN, DESMOND PARK, EXTENSION 5, WITTEN.	4037	0
21	1 (TOLWE)	20	9
TOTAL		3089	

**3.22. CHALLENGES**

Capacity constraints: this involves lack of resources (financial and human) to roll out the service to the entire municipal area. Available plant and personnel are not enough to render the service for all areas. For the past two financial years the Municipality could not purchase plant and refuse bins due to budgetary constraints.

The Senwabarwana land fill site is completed and operational and waste is being dumped in the land fill site.

Lack of education on the part of members of the community on waste matters does not help the situation. Lot of littering occurs in the town of Senwabarwana around the CBD mainly because much business activities are taking place there. The Department of Environmental Affairs has trained officials to enforce both by-laws and Environmental Acts around the municipal jurisdictional area which will ease the situation of non-compliance by the regulated community.

### **3.23. INTERVENTIONS**

Blouberg Municipality renders the refuse removal service in 14 settlements with the, households serviced standing at **18 544 (45%)**. The backlog is **22 872 (55%)**. Challenges are funding for roll out of the refuse service to all settlements.

The Environmental Management Plan (EMP) is partially implemented; the Solid waste and refuse removal by laws are not fully implemented due to capacity challenges that are currently being ironed out. Intergraded Waste Management Plan is currently under review. The neighborhood funding from the National Treasury earmarked for urban renewal shall come in handy to address some of the waste management challenges encountered.

The Municipality is rolling out the function to a number of settlements with the recruitment of hundred (100) general workers who were employed from the 2011\12 financial year. The number of municipal EPWP participants has increased from 140 to 175 in the 2014\15 financial year and such number will either be sustained or increased in subsequent years.

The program me is augmented by the integration of EPWP and Community Works Program me. Such general workers are used to clean settlements, roads, cemeteries and any other work identified by members of the community.

Another intervention is through partnerships with private stakeholders. Currently the Municipality has a partnership with PEACE Foundation to deal with waste management issues. A Recycling, Reduce and Re-Use initiative is being implemented at Alldays and Senwabarwana. Fifty (50) drums have been mounted in both Senwabarwana and Alldays as a form of mitigating littering from the regulated community. A total of **18 544 (45%)** households receive household collection on weekly basis during 2014/15. The municipality is currently experiencing backlog of **22 872 (55%)** households from various settlements that are not saturated with population growth.

### **3.24. WATER PROVISION**

Water is a basic need to communities. It is important that the water that is provided to communities is of good quality and suitable for human consumption, and also suitable for good hygiene practices, noting that without water there is no hygiene.

### **3.25. STATUS QUO**

Blouberg Municipality serves as a Water Services Provider (WSP) responsible for the function of operations and maintenance for the water infrastructure with a budget allocated from the Water Services Authority (WSA) being the Capricorn District Municipality (CDM). The municipality is dependent on underground water source as there are no dams to assist with the water provisioning.

CDM has established its own Blouberg Satellite Office, which has a manager also working with local municipal staff. The District has, further, seconded its staff to the Blouberg Satellite Office to work on the operations and Maintenance of the water infrastructure, most of who have been transferred from the Department of Water Affairs in the year 2007. The Satellite office has five (5) Maintenance Camps responsible for the maintenance of the five (5) Regional Water Schemes that are in the Blouberg municipal Area. Capricorn District Municipality as the WSA implements water projects on the local municipality's behalf. Currently 72% of the households within the Blouberg municipal area have access to water at the level of RDP standard, with only a backlog of 28%. Other Water projects are to be implemented in the future financial years, as prioritized by CDM but in consultation with the Municipality. Some of these projects will focus on the refurbishment of some of the old Infrastructure currently hindering good supply of water to communities. The main sources of water are boreholes, which are not completely sustainable as some even dry out over time. Most of the equipment for the boreholes has now aged and therefore break easily. The aquifers are affected when boreholes are over-pumped and not given a chance to rest.

Where there are water challenges and breakdowns, water is supplied with water tankers. The water quality in the municipality has not attained blue drop status.

The district should strive for the attainment of the status.

### **3.26. PROVISION OF FREE BASIC WATER**

The municipality, together with the district municipality, provides free basic water and free water to its households in the form of supply of free diesel and payment of electricity bills to ESKOM for the supply of electricity connections to boreholes. The challenge is in areas where there is no infrastructure or

where there are service breakdowns that the free basic service is not adequately rendered but as contingency measure water tinkering is used.

### **3.27. CHALLENGES**

The climate conditions and insufficient underground water sources pose a challenge to the availability and sustainability of water supply to the municipal area.

There are capacity challenges with regard to shortage of staff e.g. pump operators, water tanker drivers, plant operators, general foremen and scheme managers, etc. This is further compounded by lack of resources such as excavators, water tankers, TLBs, crane truck, etc. Insufficient allocation of the budget for the operations and maintenance of the water infrastructure by CDM does not do the area any good to fulfill its Constitutional mandate of providing the basic supply of water.

Other human factors also pose a challenge to the sustainability of providing the service to the community. Such includes theft of diesel engines, electrical cables, transformers and electric motors. Vandalism of Water infrastructure and Illegal connections on the main water supply pipelines (rising mains) is also a challenge. Unfinished projects (Limited scope of work due to budget constraints) are other human factors that deny communities access to adequate potable water supply.

### **3.28. INTERVENTIONS**

The WSA has to allocate sufficient funds to enable the WSP to perform proper maintenance on the water infrastructure, to attend to breakdowns within a reasonable turnaround time and thereby provide adequate water to communities. Further on, resources and personnel responsible for operations and maintenance must also be increased.

Improved cost recovery strategies have to be in place in order to sustain provision of water and/or water supply to communities.

There is a need to augment water supply from other sources such as the Glen-Alpine Dam. The WSA has indicated that there are positive prospects of securing supply from the Glen-Alpine Dam as feasibility study was done by the Department of Water Affairs (DWA), also aiming at securing a license transfer from agricultural to domestic use for the source. The bulk capacity at areas already supplied to RDP standard will be increased should the project be successful. Another source of supply is the Glenfirness (Blouberg) Dam, which already has infrastructure that needs to be upgraded as it has now aged. The Glenfirness (Blouberg) Dam previously supplied water to a reasonable portion of the Blouberg municipal area. Refurbishment and/ or replacement of such old infrastructure can augment supply to communities.

There is a need for the enforcement of service level agreements (contracts) that CDM has with its service providers for the implementation of water projects in order to ensure successful completion of the projects.

The municipality should endeavor to comply with the green drop standard.

The water catchment facilities should be constructed in almost all areas where there are mountains as lot of water is being wasted. The resuscitation of existing catchment areas should be prioritized taking into account that programmes such as Community Works Program me and EPWP staff be used alongside municipal officials and available equipment. This will be in line with the municipal vision of turning prevailing challenges into opportunities for growth and development...as the benefits will be two fold. The first benefit is that unguided and destructive surface run-off will be contained and the second

benefit is that the contained water in the catchment areas will be put into good use for both agricultural and tourism beneficiation and the boost to the local community will be immense.

The separate drinking facilities should be constructed solely for animal drinking to curb the practice of people sharing water with animals. The Department of Agriculture should be roped in to play a meaningful role in this regard.

### **3.29. SANITATION**

### **3.30. STATUS QUO**

Sanitation provision is the function of the district municipality and the annual provision is made in the budget. There is a huge backlog in the provision of the service in Blouberg Municipality mainly because of budgetary constraints. About 65 percent of the population in Blouberg is without access to proper sanitation facilities. There are two types of the sanitation services provided to the communities in the Municipality namely; dry sanitation (VIP toilets) and the waterborne sewerage. The VIP toilets are provided in the rural communities and sewerage services provided in the towns such as Senwabarwana and Alldays; and will soon be provided in the new settlement at Tolwe.

VIP Toilets projects have been previously completed in sixty-six (66) settlements within the Municipality.

### **3.31. CHALLENGES**

The current percentage of the backlog for sanitation is high. There are budgetary constraints with regard to the provision of the service to cover the whole municipal area. There is always a challenge of water borne disease outbreak particularly in areas where the water table is high.

The other challenge is with regard to substandard VIP structures constructed that are not lined from underground. Most of the previously constructed VIP toilet units have full pits, but cannot be emptied due to lack of resources.

There is also shortage of maintenance personnel for sewer treatment works/ waterborne sewer (1 x Sewerage maintenance camp at Helen Franz responsible for Senwabarwana and Alldays)

### **3.32. INTERVENTIONS**

The district municipality has increased the sanitation budget for 2015\16 financial years. The Municipality has resolved to prioritize the service for the areas with high water table such as Ga – Mamadi (Taaibosch), Eldorado, Innes and Slaaphoek, as well as fast developing areas such as Witten. Furthermore, provision has been planned for new settlements such as Tolwe whose general plan is to be approved by the office of the Surveyor-General. There is also provision from the Department of Human Settlements for rural areas VIP toilets. A major challenge is the growing settlements that put huge demand of the service.

There has been an intervention from the Department of Human Settlements to assist the Municipality with the eradication of sanitation backlog by initiating a Rural Household Sanitation program me,

Other forms of intervention in the provision of sanitation is the provision of low cost housing by CoGHSTA and such provision is accompanied by the inclusion of VIP toilets.

## **4. ENVIRONMENTAL ANALYSIS**

### **4.1 STATUS QUO**

The municipality has a rich availability of flora and fauna which needs to be preserved for current and future generations. Further, the municipality has a rich cultural and historical background linked to its natural resources. The Blouberg Mountains and the Makgabeng mountains, as well as the Mogalakwena River contain such abundance. This is augmented by the existence of wetlands at Senwabarwana, Gemark (Bo Birwa) and Tlhonasedimong.

#### **4.1.1 SOIL AND GEOLOGY**

The Environmental Potential Atlas of Southern Africa (ENPAT) classifies soil types in terms of their agricultural potential. In the municipality there are three types of soils and they differ with regard to their agricultural potential.

1. High Potential Soils- These types of soil is suitable for agricultural development and it is found in the areas along Blouberg mountains and Mogalakwena river. It is good for crop farming and livestock grazing.
2. Moderate Potential Soils-The soils are moderate and often used for subsistence farming and are found in the southern and eastern part of the municipality
3. Low Potential Soils-The soil is not suitable for agricultural development because they have very low clay content and they are widespread in the north- eastern and southern parts of the municipality

## **4.2. CHALLENGES**

However, poverty levels, as well as lack of knowledge on environmental preservation have rendered the area prone to many environmental challenges. This is because most people rely on natural resources such as wood, soil, plant and animal life for their survival.

### **Alien Plant and Animals**

There is a prevalence of alien plant in most of the areas of the municipality. The most affected areas are found in the ward 20,05,06, 16, and 13.

The prevalence is coupled with the increase in the alien animals in the form of donkeys. These animals destroy the vegetation where ever they exist.

- Deforestation-

The problem is prevalent to the rest of rural areas of Blouberg and has done extensive damage at areas such as Taaibosch, Makgabeng, My-Darling.

- Land degradation

Storm water flowing from the mountain ranges cause a lot of severe soil degradation in areas such as Ga-Kgatla, Leipzig, Inveraan, Buffelshoek, Stoking, Mokwena, Burgerught, etc. this is further compounded by illegal sand mining which accelerates soil erosion.

- Overgrazing and drought

The area is reliant on stock farming and most of the grazing areas are overstocked leading to overgrazing and the resultant drought which comes every two years. One can safely say given poor rainfall patterns and excessive heat the Blouberg area can be classified as a dry area. Overgrazing is also caused by insufficient grazing camps and lack of adequate control over livestock.

- Illegal poaching of wild animals

The problem is prevalent to the three nature reserves such as Lang Jan, Malebogo and Blouberg nature reserve and this has a devastating effect on the fauna of such ecosystems. Other areas affected by illegal poaching are private game reserves and farms especially along the Mogalakwena River.

### **4.3. INTERVENTIONS**

The municipality embarks on environmental campaigns to educate communities about issues of climate change, its adaptation and mitigation programmes. A programme on tree planting is done with stakeholders such as Venetia mine, DWA and private donors.

Another intervention practice is the availability of a by-law to deal with sand mining.

LEDET, through its environment wing enforces arrests to people found engaging in illegal poaching.

### **5. SOCIAL ANALYSIS**

#### **5.1 HEALTH SERVICES**

##### **5.1.1 STATUS QUO**

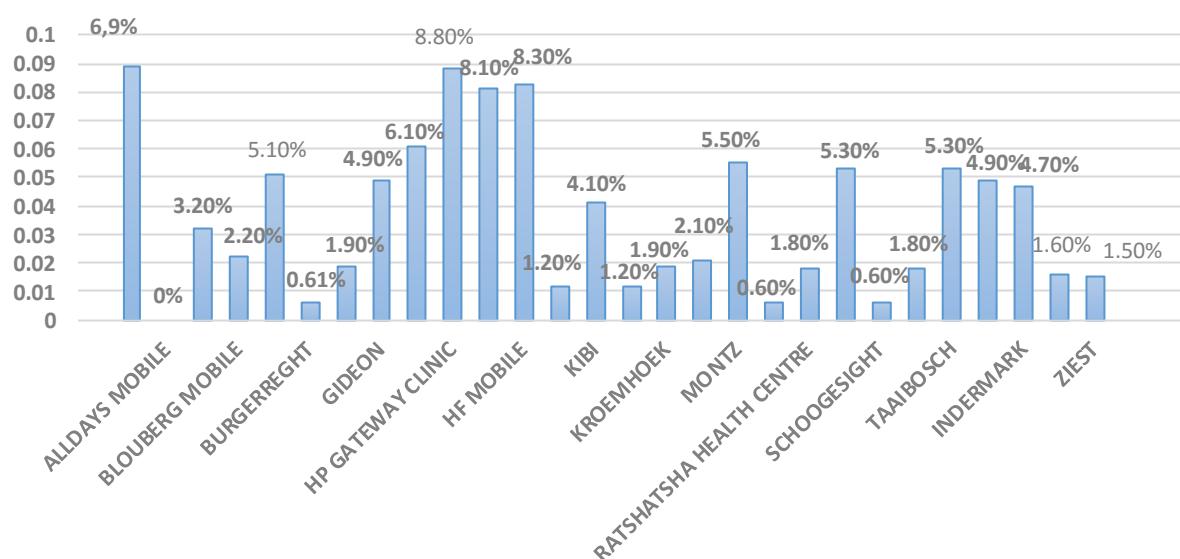
There are 25 clinics, with inclusion of Rosenkrantz and Ngwanallela clinics from former Aganang Local Municipality, two health centres and one hospital. Of the 25 clinics 22 not a single clinic operates for 24 hours. There is a high number of people with chronic diseases in the municipality and the HIV/AIDS

infection rate is also average. For the quarter ending December 2015 all the clinics including Helen Franz hospital the total number that tested positive was 577 with the highest number recorded by Helen Franz hospital and Alldays clinic having 44 followed by Seakamela clinic with 53.

The lowest number recorded was Alldays mobile with zero followed by Sadu and Goedetrou with 02. There are 42 drop in centres in the Municipality with most of them not funded. The administration of the ARV drugs is now done in all the health facilities. Helen Franz is the only hospital in the municipality while Ratshaatshaa and Blouberg are health centres. There is a backlog of about seven clinics and one hospital in the municipality as there are some wards with no clinic.

### 5.1.2 HIV INFECTION STATUS.

#### HIV PREVALENCE RATE IN PERCENTAGE OCT-MAR 2017



### 5.1.3 NORMS AND STANDARD

The walking distance for one person to walk to the nearest health facility should be five kilometers.

In case the radius is outside the area mobile clinic services is provided. All the clinics in the municipality provide the ARVs to the patients.

#### **5.2.4 CHALLENGES**

There is a shortage of medical doctors and assistant nurses and nurses in most clinics and Helen Franz Hospital. People still have to travel long distances looking for the ARV drugs.

The ambulances response time to calls leaves much to be desired. There is shortage of ambulance vehicles.

There is also shortage of standard clinics in the farming areas of Tolwe, Baltimore, Maastroom and Swaartwater.

The roads infrastructure leading to most of the clinics are very bad.

Patients have to wait for a long time to be attended by the doctors.

There is shortage of transport in the afternoons travelling to the hospital.

People still pay lot of money for the transport to Helen Franz hospital.

There is shortage of six clinics in the municipality at Tolwe, Milbank, Senwabarwana, Mamoleka and Dilaeneng village.

#### **5.2.3 INTERVENTIONS**

The submissions for the construction of the clinics at Tolwe, Milbank, Puraspan, Senwabarwana and Mamoleka have been forwarded to the MEC's office (Health Department).

Burgerugh and Schoongezicht clinics have been upgraded by the Department of Health while a new clinic is planned for construction at Puraspan.

The local HIV-AIDS Council has been established and will go a long way in preventing and managing the scourge of the AIDS epidemic.

## **5.2 HOUSING**

### **5.2.1 STATUS QUO**

Since 2000 there has been an allocation of over 6000 low cost housing units to communities of Blouberg with Alldays and Senwabarwana being the biggest beneficiaries of such housing development programmes. The municipality, together with CoGHSTA, implemented the first inclusionary housing project in Senwabarwana in 2009\10. There is still a backlog of over 2000 housing units and the provision of social housing units, as well as community rental units in areas such as Senwabarwana and Alldays. Blouberg has a housing chapter in place. The department allocated 600 housing units for the 2016/2017 financial year and allocation was done in all the 22 wards. There is still a challenge of incomplete RDP structures in some wards. For the financial year under review Tolwe was allocated only 50 housing units and they are under construction.

### **5.2.2 CHALLENGES**

Poor workmanship, the non-completion of low cost housing units and the non-payment of local suppliers and labourers are some of the challenges that are associated with the provision of low cost houses to Blouberg communities. Some incomplete houses date as far as the financial year 2000 and very few of such have been completed through the rectification programme. Affected wards include wards 1, 2, 8 and 17.

Another challenge for the provision of housing units is the lack of strategically located land in areas such as Alldays, plus delays in the finalisation of environmental authorization processes. There are still pockets of incomplete housing units in some wards.

### **5.2.3 INTERVENTIONS**

The provincial Department of Co-Operative Governance, Human Settlements and Traditional Affairs annually provide an allocation of housing units to cater for needy qualifying citizens. A smaller fraction is allocated for emergency housing. Consumer education programmes are being conducted to ensure that beneficiaries of low cost housing get value for the houses built for them. The CDM also provides tents as temporary relief for disaster stricken families whose houses have been demolished by disasters. The municipality, in partnership with the private sector and NGOs such as AMAHA, does provide emergency housing units to the destitute as was done recently at Avon, Buffelshoek and Werden.

Acquisition of strategically located land is a pre-requisite for the provision of different typologies of housing and the Department of Rural Development and Land Reform and the National Housing Development Agency have been requested to assist in this regard.

### **5.3 EDUCATION**

#### **5.3.1 STATUS QUO**

There are 186 primaries and 84 secondary schools in the Blouberg area. The circuit offices are six and currently the district office which is under construction in Senwabarwana has been abandoned by the contractor and the department is doing nothing about the matter. There is one institution of higher learning which is the Senwabarwana campus of the Capricorn FET College. The detailed condition of the schools is in ward analysis. There is shortage of Maths and Science educators in the schools within the municipality. Some learners are walking more than five kilometres to schools while in some cases learners have been granted scholar transport and bicycles

There are only 5ave makeshift pre-schools structures. There are a total of 131 registered ECD centers of which 45 are standard structures and there is a backlog of 83 centers

### **5.3.2. LEARNERS ENROLMENT**

### **5.3.3. EDUCATION LEVEL**

<b>EDUCATION</b>	<b>MALE</b>	<b>FEMALE</b>	<b>TOTAL</b>
NO SCHOOLING	836	1200	2036
SOME PRIMARY	1214	1028	2241
COMPLETED PRIMARY	692	751	1443
SOME SECONDARY	7636	9077	16713
GRADE 12	3286	4793	8079
HIGHER EDUCATION	618	960	1578

### **5.3.4. NORMS AND STANDARDS**

The teacher learner ratio according to the departmental norms and standards is 1: 40 for the primary schools and 1: 35 for the secondary schools.

The total walking distance to and from the school is 10 kilometers.

The learners who reside outside the determined radius are provided with scholar transport and bicycles.

Every learner has access to minimum set of textbooks.

### **5.3.5. PRESCHOOLS**

<b>WARD</b>	<b>AVAILABLE</b>	<b>BACKLOG</b>
1	2	9
2	2	5

3	2	4
4	4	4
5	4	4
6	4	2
7	1	5
8	1	6
9	1	5
10	1	1
11	0	6
12	0	2
13	3	4
14	2	5
15	2	0
16	2	3
17	3	6
18	2	0
19	3	0
20	4	4
21	3	5
22	2	3
TOTAL	43	75

### 5.3.6. CHALLENGES

The major challenge is the distance travelled by the learners to and fro the schools in the area, as well as the conditions of school infrastructure as most of the schools were constructed by communities during the apartheid era. There is also a shortage of Maths and Science educators. There are storm damaged schools in the municipality and some have been fixed while others are not.

There is shortage of classrooms, learning material and furniture in some schools. There is also a challenge of overcrowding in some schools. There are few registered ECD centers in the municipality and lots of them are operating in the substandard structures. The funding for the ECD centers is a challenge as the communities are responsible for the funding and remuneration of careers.

Some areas require the building of schools. The old dilapidated structures like Matsuokwane, Mphengwa, Letswatla primary, Rasekhuta, Kgalushi and Makangwane schools require new structures. Selowe Primary in Silvermyn is complete. Some schools have been blown away by the storms.

The scholar transport remains a challenge for some learners resulting in them walking for long distances to schools. There is a challenge of high drop out of school in some areas. There is also higher failure rate in some schools. There is a challenge of teenage pregnancy in schools.

### **5.3.7 INTERVENTIONS**

There is provision of scholar transport and provision of bicycles to transport learners who travel long distances to schools. Further, the provincial government provides school nutrition to all schools. The Department of Education construct schools annually through the backlog still remains. New schools must be prioritized for Silvermyn primary school, Senwabarwana secondary school, and Taaibosch primary school while renovation of schools should prioritize Seiphi, Mochemi and Mokumuru. The municipality will engage the Department of Education to affect the desired intervention. The construction of new structures at Montz secondary and Matthews Phosa secondary school in Senwabarwana is almost complete.

The municipality constructed four preschools in the 2014\15 financial year while six preschools are under construction in the 2015\16 financial year. Of the six preschools under construction four are funded by the Municipal Infrastructure Grant while two are funded from municipal generated revenue. De Beers Consolidated Mines contributed two preschools at Siaz and Grootpan through the implementation of its Social and Labour Plan.

The following are interventions for bettering provision of education:

Building of additional classrooms and new schools

Training of educators in content and methodology.

Conducting of winter enrichment classes

#### **1.4 ANNUAL TABLES**



LIM351 Blouberg - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework			
	R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Financial Performance</b>											
Property rates	14,985	20,289	25,065	24,463	24,463	24,463	21,445	26,000	27,560	29,214	
Service charges	17,100	16,892	20,597	27,328	26,328	26,328	13,506	27,949	29,614	31,383	
Investment revenue	1,040	1,504	2,072	1,500	1,600	1,600	—	1,500	1,590	1,685	
Transfers recognised - operational	122,143	152,320	185,947	195,153	195,153	195,153	—	189,279	184,605	197,882	
Other own revenue	7,406	31,945	9,337	20,237	23,237	23,237	4,008	13,310	15,833	15,497	
<b>Total Revenue (excluding capital transfers and contributions)</b>	162,673	222,951	243,017	268,681	270,781	270,781	38,959	258,038	259,203	275,662	
Employee costs	69,842	77,443	87,556	101,539	102,870	102,870	65,050	107,641	146,359	153,719	
Remuneration of councillors	12,139	12,906	17,510	17,584	19,013	19,013	—	16,757	17,762	18,828	
Depreciation & asset impairment	51,686	31,712	33,726	38,000	38,315	38,315	—	39,315	41,674	44,174	
Finance charges	—	372	314	—	—	—	—	—	—	—	
Materials and bulk purchases	21,208	28,794	31,483	31,329	31,969	31,969	17,532	34,520	42,091	44,617	
Transfers and grants	—	—	—	—	—	—	—	—	—	—	
Other expenditure	47,197	69,716	79,628	106,068	108,745	108,745	62,694	93,147	73,436	78,334	
<b>Total Expenditure</b>	202,072	220,942	250,217	294,520	300,912	300,912	145,276	291,379	321,321	339,671	
<b>Surplus/(Deficit)</b>	(39,399)	2,008	(7,200)	(25,839)	(30,131)	(30,131)	(106,317)	(33,342)	(62,118)	(64,010)	
Transfers and subsidies - capital (monetary alloc	48,104	51,962	75,676	49,836	51,300	51,300	—	47,786	63,550	65,925	
Contributions recognised - capital & contributed a	—	—	—	—	—	—	—	—	—	—	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	8,705	53,970	68,476	23,997	21,169	21,169	(106,317)	14,444	1,432	1,915	
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—	
<b>Surplus/(Deficit) for the year</b>	8,705	53,970	68,476	23,997	21,169	21,169	(106,317)	14,444	1,432	1,915	
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	45,249	80,664	75,204	69,569	66,041	66,041	33,805	57,640	67,650	72,125	
Transfers recognised - capital	41,339	49,669	67,030	49,836	51,305	51,305	28,893	45,611	63,550	65,925	
Public contributions & donations	—	19,462	—	—	—	—	—	—	—	—	
Borrowing	—	—	—	—	—	—	—	—	—	—	
Internally generated funds	3,910	11,534	8,174	19,733	14,736	14,736	4,911	12,029	4,100	6,200	
<b>Total sources of capital funds</b>	45,249	80,664	75,204	69,569	66,041	66,041	33,805	57,640	67,650	72,125	
<b>Financial position</b>											
Total current assets	54,234	77,360	126,707	64,524	175,571	175,571	54,923	89,772	94,559	99,712	
Total non current assets	763,725	811,528	860,190	948,686	948,993	948,993	3,126	1,005,205	1,065,314	1,129,048	
Total current liabilities	45,817	62,624	60,619	4,288	37,296	37,296	22,529	4,355	4,732	4,132	
Total non current liabilities	13,639	13,796	13,515	3,231	12,368	12,368	—	2,830	2,152	2,281	
Community wealth/Equity	758,504	812,469	912,763	1,005,690	1,074,901	1,074,901	35,520	1,087,793	1,152,988	1,222,347	
<b>Cash flows</b>											
Net cash from (used) operating	48,975	91,054	87,991	67,545	57,451	57,451	34,708	10,974	(5,008)	2,506	
Net cash from (used) investing	(45,249)	(80,664)	(75,204)	(69,569)	(66,041)	(66,041)	(33,805)	(57,640)	(67,650)	(72,125)	
Net cash from (used) financing	3,844	—	(560)	—	—	—	—	—	—	—	
<b>Cash/cash equivalents at the year end</b>	22,367	28,913	41,113	43,079	77,859	77,859	52,921	5,350	(67,308)	(136,927)	
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	21,615	31,979	44,205	46,482	89,828	89,828	55,669	60,385	63,204	66,211	
Application of cash and investments	45,560	77,267	67,472	8,631	24,312	24,312	33,089	11,878	43,400	43,742	
<b>Balance - surplus (shortfall)</b>	(23,945)	(45,289)	(23,267)	37,851	65,516	65,516	22,580	48,507	19,804	22,469	
<b>Asset management</b>											
Asset register summary (WDV)	815,862	760,633	856,794	945,282	945,590	945,590		1,002,108	1,062,235	1,125,969	
Depreciation	51,686	31,712	33,726	38,000	38,315	38,315		39,315	40,651	41,880	
Renewal of Existing Assets	—	—	—	2,100	2,100	2,100		1,000	2,000	2,300	
Repairs and Maintenance	1,895	5,525	5,441	5,571	5,571	5,571		4,520	65	7,729	
<b>Free services</b>											
Cost of Free Basic Services provided	8	351	351	472	472	472	529	529	560	591	
Revenue cost of free services provided	15,000	15,000	—	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
<b>Households below minimum service level</b>											
Water:	—	—	—	—	—	—	—	—	—	—	
Sanitation/sewage:	—	—	—	—	—	—	—	—	—	—	
Energy:	—	—	—	—	—	—	—	—	—	—	
Refuse:	—	—	—	—	—	—	12	48	48	48	

**Table-A2 Budget Financial Performance( Revenue and Expenditure by Standard Class)**

LIM351 Blouberg - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		136,957	193,250	212,180	223,588	223,993	223,993	215,411	216,643	231,842
Executive and council		–	–	19,272	20,098	20,098	20,098	13,871	–	–
Finance and administration		136,957	193,250	192,908	203,489	203,894	203,894	201,541	216,643	231,842
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		7,157	6,225	9,606	10,531	13,131	13,131	11,111	7,443	7,890
Community and social services		2,335	1,955	4,891	6,112	6,112	6,112	4,089	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		4,822	4,270	4,716	4,419	7,019	7,019	7,022	7,443	7,890
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		44,491	49,495	67,074	49,770	51,335	51,335	46,896	49,775	51,211
Planning and development		1,004	4,592	397	4,680	4,780	4,780	3,405	5,425	4,486
Road transport		43,487	44,903	66,676	45,090	46,555	46,555	43,491	44,350	46,725
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		22,172	25,942	30,184	35,100	34,095	34,095	32,935	49,452	51,234
Energy sources		21,621	25,404	29,710	33,220	33,220	33,220	32,075	48,612	50,352
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		551	538	474	1,880	875	875	860	840	882
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>	2	<b>210,777</b>	<b>274,912</b>	<b>319,044</b>	<b>318,988</b>	<b>322,553</b>	<b>322,553</b>	<b>306,353</b>	<b>323,313</b>	<b>342,177</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		84,655	134,495	162,669	198,277	205,292	205,292	194,309	223,304	230,449
Executive and council		34,910	38,301	62,802	74,141	74,787	74,787	64,621	59,530	57,056
Finance and administration		49,746	96,195	99,867	124,136	130,505	130,505	129,688	163,774	173,393
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		22,434	26,617	31,325	34,186	33,142	33,142	33,311	29,753	31,535
Community and social services		12,697	16,241	19,547	20,047	19,688	19,688	18,674	14,238	15,089
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		9,736	10,376	11,778	14,139	13,454	13,454	14,637	15,516	16,446
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		17,081	26,268	19,949	21,117	21,147	21,147	18,804	20,433	23,779
Planning and development		8,495	14,530	8,028	11,967	10,857	10,857	11,128	11,796	12,503
Road transport		8,586	11,738	11,921	9,150	10,290	10,290	7,677	8,637	11,275
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		77,903	33,563	36,276	40,940	41,332	41,332	44,955	47,832	53,908
Energy sources		77,859	32,545	36,198	39,890	40,300	40,300	42,725	45,468	51,402
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		43	1,018	77	1,050	1,032	1,032	2,230	2,364	2,506
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
<b>Total Expenditure - Functional</b>	3	<b>202,072</b>	<b>220,942</b>	<b>250,217</b>	<b>294,520</b>	<b>300,912</b>	<b>300,912</b>	<b>291,379</b>	<b>321,321</b>	<b>339,671</b>
<b>Surplus/(Deficit) for the year</b>		<b>8,705</b>	<b>53,970</b>	<b>68,827</b>	<b>24,469</b>	<b>21,641</b>	<b>21,641</b>	<b>14,974</b>	<b>1,992</b>	<b>2,506</b>

**Table A3 Budget Financial Performance (Revenue and expenditure by municipal votes)**

LIM351 Blouberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue by Vote</b>										
Vote 1 - Executive and Council	1	—	—	19,272	20,098	20,098	20,098	13,871	—	—
Vote 2 - Finance and Administration		136,957	193,250	192,908	203,489	203,894	203,894	201,541	216,643	231,842
Vote 3 - Community Services		2,335	1,955	4,891	6,112	6,112	6,112	4,089	—	—
Vote 4 - Public Safety		4,822	4,270	4,716	4,419	7,019	7,019	7,022	7,443	7,890
Vote 5 Waste Management		551	538	474	1,880	875	875	860	840	882
Vote 6 - Technical administration and Trading Services		21,621	25,404	29,710	33,220	33,220	33,220	32,075	48,612	50,352
Vote 7 - Roads and Transport		43,487	44,903	66,676	45,090	46,555	46,555	43,491	44,350	46,725
Vote 8 - Planning and Development		1,004	4,592	397	4,680	4,780	4,780	3,405	5,425	4,486
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
<b>Total Revenue by Vote</b>	2	<b>210,777</b>	<b>274,912</b>	<b>319,044</b>	<b>318,988</b>	<b>322,553</b>	<b>322,553</b>	<b>306,353</b>	<b>323,313</b>	<b>342,177</b>
<b>Expenditure by Vote to be appropriated</b>										
Vote 1 - Executive and Council	1	34,910	38,301	62,802	74,141	74,787	74,787	64,621	59,530	57,056
Vote 2 - Finance and Administration		49,746	96,195	99,867	124,136	130,505	130,505	129,688	163,774	173,393
Vote 3 - Community Services		12,697	16,241	19,547	20,047	19,688	19,688	18,674	14,238	15,089
Vote 4 - Public Safety		9,736	10,376	11,778	14,139	13,454	13,454	14,637	15,516	16,446
Vote 5 Waste Management		43	1,018	77	1,050	1,032	1,032	2,230	2,364	2,506
Vote 6 - Technical administration and Trading Services		77,859	32,545	36,198	39,890	40,300	40,300	42,725	45,468	51,402
Vote 7 - Roads and Transport		8,586	11,738	11,921	9,150	10,290	10,290	7,677	8,637	11,275
Vote 8 - Planning and Development		8,495	14,530	8,028	11,967	10,857	10,857	11,128	11,796	12,503
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
<b>Total Expenditure by Vote</b>	2	<b>202,072</b>	<b>220,942</b>	<b>250,217</b>	<b>294,520</b>	<b>300,912</b>	<b>300,912</b>	<b>291,379</b>	<b>321,321</b>	<b>339,671</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>8,705</b>	<b>53,970</b>	<b>68,827</b>	<b>24,469</b>	<b>21,641</b>	<b>21,641</b>	<b>14,974</b>	<b>1,992</b>	<b>2,506</b>

LIM351 Blouberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue By Source</b>											
Property rates	2	14,985	20,289	25,065	24,463	24,463	24,463	21,445	26,000	27,560	29,214
Service charges - electricity revenue	2	16,767	16,474	20,191	25,536	25,536	25,536	13,231	27,157	28,782	30,509
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	333	418	406	1,792	792	792	275	792	832	874
Service charges - other						-	-				
Rental of facilities and equipment		820	1,091	1,046	300	300	300		315	350	371
Interest earned - external investments		1,040	1,504	2,072	1,500	1,600	1,600		1,500	1,590	1,685
Interest earned - outstanding debtors		388	306	1,961	595	595	595		631	654	693
Dividends received				-	-	-	-		-	-	-
Fines, penalties and forfeits		2,593	1,086	1,273	780	3,380	3,380		3,440	3,614	3,809
Licences and permits		2,161	3,162	3,489	3,669	3,669	3,669		3,672	3,892	4,126
Agency services		-	230	-	1,091	1,091	1,091		150	160	170
Transfers and subsidies		122,143	152,320	185,947	195,153	195,153	195,153		189,279	184,605	197,882
Other revenue	2	1,443	26,070	1,567	13,803	14,203	14,203	4,008	5,102	7,163	6,328
Gains on disposal of PPE											
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>162,673</b>	<b>222,951</b>	<b>243,017</b>	<b>268,681</b>	<b>270,781</b>	<b>270,781</b>	<b>38,959</b>	<b>258,038</b>	<b>259,203</b>	<b>275,662</b>
<b>Expenditure By Type</b>											
Employee related costs	2	69,842	77,443	87,556	101,539	102,870	102,870	65,050	107,641	146,359	153,719
Remuneration of councillors		12,139	12,906	17,510	17,584	19,013	19,013		16,757	17,762	18,828
Debt impairment	3	3,856	10,831	(3,067)	8,074	8,074	8,074		7,559	8,012	8,413
Depreciation & asset impairment	2	51,686	31,712	33,726	38,000	38,315	38,315	-	39,315	41,674	44,174
Finance charges		-	372	314	-	-	-				
Bulk purchases	2	19,313	23,268	26,042	25,758	25,758	25,758	17,532	30,000	34,800	36,888
Other materials	8	1,895	5,525	5,441	5,571	6,211	6,211		4,520	7,291	7,729
Contracted services		3,160	3,582	5,923	12,000	11,500	11,500	6,713	12,705	15,467	14,954
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	39,918	54,785	76,772	85,994	89,171	89,171	55,981	72,883	49,956	54,967
Loss on disposal of PPE		262	518								
<b>Total Expenditure</b>		<b>202,072</b>	<b>220,942</b>	<b>250,217</b>	<b>294,520</b>	<b>300,912</b>	<b>300,912</b>	<b>145,276</b>	<b>291,379</b>	<b>321,321</b>	<b>339,671</b>
<b>Surplus/(Deficit)</b>		<b>(39,399)</b>	<b>2,008</b>	<b>(7,200)</b>	<b>(25,839)</b>	<b>(30,131)</b>	<b>(30,131)</b>	<b>(106,317)</b>	<b>(33,342)</b>	<b>(62,118)</b>	<b>(64,010)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		48,104	51,962	75,676	49,836	51,300	51,300		47,786	63,550	65,925
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (in-kind - all))	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>8,705</b>	<b>53,970</b>	<b>68,476</b>	<b>23,997</b>	<b>21,169</b>	<b>21,169</b>	<b>(106,317)</b>	<b>14,444</b>	<b>1,432</b>	<b>1,915</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>		<b>8,705</b>	<b>53,970</b>	<b>68,476</b>	<b>23,997</b>	<b>21,169</b>	<b>21,169</b>	<b>(106,317)</b>	<b>14,444</b>	<b>1,432</b>	<b>1,915</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		<b>8,705</b>	<b>53,970</b>	<b>68,476</b>	<b>23,997</b>	<b>21,169</b>	<b>21,169</b>	<b>(106,317)</b>	<b>14,444</b>	<b>1,432</b>	<b>1,915</b>
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>		<b>8,705</b>	<b>53,970</b>	<b>68,476</b>	<b>23,997</b>	<b>21,169</b>	<b>21,169</b>	<b>(106,317)</b>	<b>14,444</b>	<b>1,432</b>	<b>1,915</b>

LIM351 Blouberg - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - Executive and council		—	—	—	—	—	—	—	—	—	—
Vote 2 - Finance and Administration		—	—	—	—	—	—	—	—	—	—
Vote 3 - Community Services		—	—	—	—	—	—	—	—	—	—
Vote 4 - Public and Safety		—	—	—	—	—	—	—	—	—	—
Vote 5 - Waste Management		—	—	—	—	—	—	—	—	—	—
Vote 6 - Technical administration and Trading Service		—	—	—	—	—	—	—	—	—	—
Vote 7 - Roads and Transport		—	—	—	—	—	—	—	—	—	—
Vote 8 - Planning and Development		—	—	—	—	—	—	—	—	—	—
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—	—
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—	—
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—	—
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—	—
<b>Capital multi-year expenditure sub-total</b>	7	—	—	—	—	—	—	—	—	—	—
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Executive and council		—	—	—	300	300	300	—	—	—	—
Vote 2 - Finance and Administration		3,341	4,744	3,687	6,500	6,400	6,400	4,435	3,650	3,869	4,101
Vote 3 - Community Services		—	23,866	22,312	20,500	22,364	22,364	—	9,520	25,988	31,179
Vote 4 - Public and Safety		—	—	—	—	—	—	—	—	—	—
Vote 5 - Waste Management		11	350	—	600	600	600	—	1,300	—	—
Vote 6 - Technical administration and Trading Service		7,971	9,317	12,696	9,233	10,642	10,642	—	6,824	19,431	21,299
Vote 7 - Roads and Transport		33,926	42,387	36,304	28,436	25,736	25,736	—	36,346	18,362	15,546
Vote 8 - Planning and Development		—	—	205	4,000	—	—	—	—	—	—
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—	—
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—	—
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—	—
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—	—
<b>Capital single-year expenditure sub-total</b>	45,249	80,664	75,204	69,569	66,041	66,041	4,435	57,640	67,650	72,125	
<b>Total Capital Expenditure - Vote</b>	45,249	80,664	75,204	69,569	66,041	66,041	4,435	57,640	67,650	72,125	
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>											
Executive and council	3,341	4,744	3,687	6,800	6,700	6,700	4,435	3,650	3,869	4,101	
Finance and administration	3,341	4,744	3,687	6,500	6,400	6,400	4,435	3,650	3,869	4,101	
Internal audit	—	—	—	—	—	—	—	—	—	—	—
<b>Community and public safety</b>											
Community and social services	—	23,866	22,312	20,500	22,364	22,364	11,357	9,870	25,988	31,179	
Sport and recreation	—	23,866	6,592	12,500	14,364	14,364	7,249	700	—	—	
Public safety	—	—	15,719	8,000	8,000	8,000	4,107	8,820	25,988	31,179	
Housing	—	—	—	—	—	—	—	350	—	—	—
Health	—	—	—	—	—	—	—	—	—	—	—
<b>Economic and environmental services</b>											
Planning and development	33,926	42,387	36,509	32,436	25,736	25,736	17,020	35,996	18,362	15,546	
Road transport	33,926	42,387	36,304	28,436	25,736	25,736	17,020	35,996	18,362	15,546	
Environmental protection	—	—	205	4,000	—	—	—	—	—	—	—
<b>Trading services</b>											
Energy sources	7,982	9,667	12,696	9,833	11,242	11,242	993	8,124	19,431	21,299	
Water management	7,971	9,317	12,696	9,233	10,642	10,642	993	6,824	19,431	21,299	
Waste water management	—	—	—	—	—	—	—	—	—	—	—
Waste management	—	11	350	600	600	600	—	1,300	—	—	—
<b>Other</b>											
<b>Total Capital Expenditure - Functional</b>	3	45,249	80,664	75,204	69,569	66,041	66,041	33,805	57,640	67,650	72,125
<b>Funded by:</b>											
National Government		41,339	49,669	67,030	49,836	51,305	51,305	28,893	45,611	63,550	65,925
Prov incial Government		—	—	—	—	—	—	—	—	—	—
District Municipality		—	—	—	—	—	—	—	—	—	—
Other transfers and grants		—	—	—	—	—	—	—	—	—	—
<b>Transfers recognised - capital</b>	4	41,339	49,669	67,030	49,836	51,305	51,305	28,893	45,611	63,550	65,925
<b>Public contributions &amp; donations</b>	5	—	19,462	—	—	—	—	—	—	—	—
<b>Borrowing</b>	6	—	—	—	—	—	—	—	—	—	—
<b>Internally generated funds</b>	7	3,910	11,534	8,174	19,733	14,736	14,736	4,911	12,029	4,100	6,200
<b>Total Capital Funding</b>	7	45,249	80,664	75,204	69,569	66,041	66,041	33,805	57,640	67,650	72,125

LIM351 Blouberg - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		18,523	28,886	41,113	33,079	76,425	76,425	42,017	47,288	50,125	53,132
Call investment deposits	1	–	–	–	10,000	10,000	10,000	10,527	10,000	10,000	10,000
Consumer debtors	1	4,032	4,523	8,258	(493)	7,765	7,765	–	9,231	9,785	10,452
Other debtors		6,181	13,865	12,246	4,426	16,291	16,291	4,692	4,973	5,272	
Current portion of long-term receivables		18,693	26,225	61,211	15,893	61,211	61,211	16,847	17,858	18,929	
Inventory	2	6,805	3,862	3,879	1,618	3,879	3,879	2,380	1,715	1,818	1,927
<b>Total current assets</b>		<b>54,234</b>	<b>77,360</b>	<b>126,707</b>	<b>64,524</b>	<b>175,571</b>	<b>175,571</b>	<b>54,923</b>	<b>89,772</b>	<b>94,559</b>	<b>99,712</b>
<b>Non current assets</b>											
Long-term receivables											
Investments		3,092	3,093	3,093	3,403	3,403	3,403	3,126	3,097	3,079	3,079
Investment property				205		205					
Investment in Associate											
Property, plant and equipment	3	760,633	808,306	856,790	945,282	945,282	945,282	–	1,002,108	1,062,235	1,125,969
Agricultural											
Biological											
Intangible				130	103	–	103	103			
Other non-current assets											
<b>Total non current assets</b>		<b>763,725</b>	<b>811,528</b>	<b>860,190</b>	<b>948,686</b>	<b>948,993</b>	<b>948,993</b>	<b>3,126</b>	<b>1,005,205</b>	<b>1,065,314</b>	<b>1,129,048</b>
<b>TOTAL ASSETS</b>		<b>817,959</b>	<b>888,889</b>	<b>986,897</b>	<b>1,013,209</b>	<b>1,124,565</b>	<b>1,124,565</b>	<b>58,049</b>	<b>1,094,978</b>	<b>1,159,872</b>	<b>1,228,760</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1										
Borrowing	4				–	–	–	–	–	–	–
Consumer deposits		0									
Trade and other payables	4	40,470	56,080	53,284	4,288	37,296	37,296	22,529	4,355	4,732	4,132
Provisions		5,346	6,543	7,335							
<b>Total current liabilities</b>		<b>45,817</b>	<b>62,624</b>	<b>60,619</b>	<b>4,288</b>	<b>37,296</b>	<b>37,296</b>	<b>22,529</b>	<b>4,355</b>	<b>4,732</b>	<b>4,132</b>
<b>Non current liabilities</b>											
Borrowing		–	–	–	–	–	–	–	–	–	–
Provisions		13,639	13,796	13,515	3,231	12,368	12,368	–	2,830	2,152	2,281
<b>Total non current liabilities</b>		<b>13,639</b>	<b>13,796</b>	<b>13,515</b>	<b>3,231</b>	<b>12,368</b>	<b>12,368</b>	<b>–</b>	<b>2,830</b>	<b>2,152</b>	<b>2,281</b>
<b>TOTAL LIABILITIES</b>		<b>59,456</b>	<b>76,420</b>	<b>74,134</b>	<b>7,519</b>	<b>49,664</b>	<b>49,664</b>	<b>22,529</b>	<b>7,185</b>	<b>6,884</b>	<b>6,413</b>
<b>NET ASSETS</b>	5	<b>758,504</b>	<b>812,469</b>	<b>912,763</b>	<b>1,005,690</b>	<b>1,074,901</b>	<b>1,074,901</b>	<b>35,520</b>	<b>1,087,793</b>	<b>1,152,988</b>	<b>1,222,347</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		758,504	812,469	912,763	1,005,690	1,074,901	1,074,901	35,520	1,087,793	1,152,988	1,222,347
Reserves	4	–	–	–	–	–	–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>758,504</b>	<b>812,469</b>	<b>912,763</b>	<b>1,005,690</b>	<b>1,074,901</b>	<b>1,074,901</b>	<b>35,520</b>	<b>1,087,793</b>	<b>1,152,988</b>	<b>1,222,347</b>

LIM351 Blouberg - Table A7 Budgeted Cash Flows

Description R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates		6,985	13,609	24,467	23,020	23,020	23,020	11,772	24,000	27,560	29,214	
Service charges		12,782	10,877	15,498	26,800	26,800	26,800	13,397	26,478	30,175	31,974	
Other revenue		6,503	5,906	10,144	12,227	13,927	13,927	7,472	12,679	15,179	14,804	
Government - operating	1	121,360	167,865	178,931	195,153	195,153	195,153	116,665	189,279	184,605	197,882	
Government - capital	1	46,408	71,731	53,381	49,836	51,300	51,300	44,613	47,786	63,550	65,925	
Interest		1,228	1,504	2,072	1,500	1,600	1,600	1,121	2,131	2,244	2,379	
Dividends					-				-	-	-	
<b>Payments</b>												
Suppliers and employees		(146,290)	(180,066)	(196,188)	(240,991)	(254,349)	(254,349)	(160,331)	(243,909)	(278,151)	(286,491)	
Finance charges		-	(372)	(314)	-				-	-	-	
Transfers and Grants	1								-	-	-	
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>48,975</b>	<b>91,054</b>	<b>87,991</b>	<b>67,545</b>	<b>57,451</b>	<b>57,451</b>	<b>34,708</b>	<b>58,444</b>	<b>45,162</b>	<b>55,686</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Receipts</b>												
Proceeds on disposal of PPE									-	-	-	
Decrease (Increase) in non-current debtors									-	-	-	
Decrease (increase) other non-current receivables									-	-	-	
Decrease (increase) in non-current investments									-	-	-	
<b>Payments</b>												
Capital assets		(45,249)	(80,664)	(75,204)	(69,569)	(66,041)	(66,041)	(33,805)	(57,640)	(67,650)	(72,125)	
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(45,249)</b>	<b>(80,664)</b>	<b>(75,204)</b>	<b>(69,569)</b>	<b>(66,041)</b>	<b>(66,041)</b>	<b>(33,805)</b>	<b>(57,640)</b>	<b>(67,650)</b>	<b>(72,125)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans									-	-	-	
Borrowing long term/refinancing									-	-	-	
Increase (decrease) in consumer deposits		3,844							-	-	-	
<b>Payments</b>												
Repayment of borrowing				(560)					-	-	-	
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>3,844</b>	<b>-</b>	<b>(560)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>7,570</b>	<b>10,389</b>	<b>12,227</b>	<b>(2,024)</b>	<b>(8,590)</b>	<b>(8,590)</b>	<b>904</b>	<b>804</b>	<b>(22,488)</b>	<b>(16,439)</b>	
Cash/cash equivalents at the year begin:	2	14,797	18,523	28,886	45,103	86,448	86,448	57,288	57,288	58,092	35,603	
Cash/cash equivalents at the year end:	2	22,367	28,913	41,113	43,079	77,859	77,859	58,192	58,092	35,603	19,164	

LIM351 Blouberg - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	22,367	28,913	41,113	43,079	77,859	77,859	58,192	58,092	35,603	19,164
Other current investments > 90 days		(3,844)	(26)	-	-	8,566	8,566	(5,648)	(804)	24,522	43,968
Non current assets - Investments	1	3,092	3,093	3,093	3,403	3,403	3,403	3,126	3,097	3,079	3,079
<b>Cash and investments available:</b>		<b>21,615</b>	<b>31,979</b>	<b>44,205</b>	<b>46,482</b>	<b>89,828</b>	<b>89,828</b>	<b>55,669</b>	<b>60,385</b>	<b>63,204</b>	<b>66,211</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		9,976	25,828	7,024	1,500	32,869	32,869	22,411	1,400	1,600	1,000
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	6,258	12,202	12,019	2,052	2,052	2,052	10,560	17,767	51,255	53,032
Other working capital requirements	3	23,700	22,168	27,579	(601)	(16,290)	(16,290)	117	(10,119)	(11,607)	(12,571)
Other provisions		5,625	17,069	20,850	5,680	5,680	5,680	-	2,830	2,152	2,281
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>45,560</b>	<b>77,267</b>	<b>67,472</b>	<b>8,631</b>	<b>24,312</b>	<b>24,312</b>	<b>33,089</b>	<b>11,878</b>	<b>43,400</b>	<b>43,742</b>
<b>Surplus(shortfall)</b>		<b>(23,945)</b>	<b>(45,289)</b>	<b>(23,267)</b>	<b>37,851</b>	<b>65,516</b>	<b>65,516</b>	<b>22,580</b>	<b>48,507</b>	<b>19,804</b>	<b>22,469</b>

R thousand	Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>CAPITAL EXPENDITURE</b>											
	<b>Total New Assets</b>	1	<b>45,249</b>	<b>80,664</b>	<b>75,204</b>	<b>67,469</b>	<b>66,041</b>	<b>66,041</b>	<b>56,640</b>	<b>65,650</b>	<b>70,125</b>
	Roads Infrastructure		33,926	42,387	34,404	26,836	26,836	26,836	34,496	20,593	16,215
	Storm water Infrastructure		-	-	-	-	-	-	-	-	-
	Electrical Infrastructure		7,971	9,317	12,696	8,733	8,673	8,673	5,044	19,200	19,200
	Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
	Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
	Solid Waste Infrastructure		-	-	6,592	-	-	-	-	-	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	-	-	-	-	-	-
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	<b>Infrastructure</b>		<b>41,897</b>	<b>51,704</b>	<b>53,692</b>	<b>35,569</b>	<b>35,509</b>	<b>35,509</b>	<b>39,540</b>	<b>39,793</b>	<b>35,415</b>
	Community Facilities		-	6,893	11,267	16,500	10,800	10,800	2,700	-	2,100
	Sport and Recreation Facilities		-	16,974	5,202	8,000	12,633	12,633	6,820	23,399	27,269
	<b>Community Assets</b>		<b>-</b>	<b>23,866</b>	<b>16,469</b>	<b>24,500</b>	<b>23,433</b>	<b>23,433</b>	<b>9,520</b>	<b>23,399</b>	<b>29,369</b>
	<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
	Revenue Generating		-	-	-	-	-	-	-	-	-
	Non-revenue Generating		-	-	205	-	-	-	-	-	-
	<b>Investment properties</b>		-	-	<b>205</b>	-	-	-	-	-	-
	Operational Buildings		-	-	-	-	-	-	-	-	-
	Housing		-	-	-	-	-	-	-	-	-
	<b>Other Assets</b>		-	-	-	-	-	-	-	-	-
	<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
	Servitudes		-	-	-	-	-	-	-	-	-
	Licences and Rights		-	-	-	300	300	300	3,230	848	-
	<b>Intangible Assets</b>		-	-	-	<b>300</b>	<b>300</b>	<b>300</b>	<b>3,230</b>	<b>848</b>	-
	Computer Equipment		241	300	294	300	300	300	500	300	200
	Furniture and Office Equipment		100	144	1,077	1,400	1,600	1,600	1,500	100	1,500
	Machinery and Equipment		211	2,650	1,900	1,400	1,200	1,200	1,950	-	642
	<b>Transport Assets</b>		<b>2,800</b>	<b>2,000</b>	<b>1,566</b>	<b>4,000</b>	<b>3,700</b>	<b>3,700</b>	<b>400</b>	<b>1,210</b>	<b>3,000</b>
	Libraries		-	-	-	-	-	-	-	-	-
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
	<b>Total Renewal of Existing Assets</b>		2	-	-	2,100	2,100	2,100	1,000	2,000	2,300
	Roads Infrastructure		-	-	-	1,600	1,600	1,600	500	1,000	1,200
	Storm water Infrastructure		-	-	-	-	-	-	-	-	-
	Electrical Infrastructure		-	-	500	500	500	500	1,000	1,100	-
	Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
	Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
	Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	-	-	-	-	-	-
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	<b>Infrastructure</b>		-	-	-	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>1,000</b>	<b>2,000</b>	<b>2,300</b>
	Community Facilities		-	-	-	-	-	-	-	-	-
	Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-

<b>Community Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
<b>Total Upgrading of Existing Assets</b>	6	-	-	-	-	-	-	-	-	-
Roads Infrastructure	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	4	33,926	42,387	34,404	28,436	28,436	28,436	34,996	21,593	17,415
Roads Infrastructure	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	7,971	9,317	12,696	9,233	9,173	9,173	5,544	20,200	20,300	
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	6,592	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>	41,897	51,704	53,692	37,669	37,609	37,609	40,540	41,793	37,715	
Community Facilities	-	6,893	11,267	16,500	10,800	10,800	2,700	-	2,100	
Sport and Recreation Facilities	-	16,974	5,202	8,000	12,633	12,633	6,820	23,399	27,269	
<b>Community Assets</b>	-	23,866	16,469	24,500	23,433	23,433	9,520	23,399	29,369	
<b>Heritage Assets</b>	-	-	-	-	-	-	-	74	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	205	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	205	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	300	300	300	3,230	848	-	-
<b>Intangible Assets</b>	-	-	-	300	300	300	3,230	848	-	-
Computer Equipment	241	300	294	300	300	300	500	300	200	
Furniture and Office Equipment	100	144	1,077	1,400	1,600	1,600	1,500	100	1,500	
Machinery and Equipment	211	2,650	1,900	1,400	1,200	1,200	1,950	-	642	
Transport Assets	2,800	2,000	1,566	4,000	3,700	3,700	400	1,210	3,000	
Libraries	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	45,249	80,664	75,204	69,569	68,141	68,141	57,640	67,650	72,425	

<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>										
	5									
<i>Roads Infrastructure</i>		172,426	136,138	178,911	225,692	225,692	225,692	239,234	253,588	268,803
<i>Storm water Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Electrical Infrastructure</i>		497,516	482,720	475,724	524,144	524,144	524,144	555,592	588,928	624,263
<i>Water Supply Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Sanitation Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Solid Waste Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Rail Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>		—	—	—	—	—	—	—	—	—
<b>Infrastructure</b>		<b>669,942</b>	<b>618,858</b>	<b>654,635</b>	<b>749,836</b>	<b>749,836</b>	<b>749,836</b>	<b>794,826</b>	<b>842,515</b>	<b>893,066</b>
Community Facilities		139,355	131,134	151,730	186,627	186,627	186,627	197,824	209,694	222,275
Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
<b>Community Assets</b>		<b>139,355</b>	<b>131,134</b>	<b>151,730</b>	<b>186,627</b>	<b>186,627</b>	<b>186,627</b>	<b>197,824</b>	<b>209,694</b>	<b>222,275</b>
<b>Heritage Assets</b>		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	205	205	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
<b>Investment properties</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>205</b>	<b>205</b>	<b>—</b>	<b>—</b>	<b>—</b>
Operational Buildings		—	—	—	33,156	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
<b>Other Assets</b>		<b>—</b>	<b>—</b>	<b>33,156</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Biological or Cultivated Assets</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>103</b>	<b>103</b>	<b>109</b>	<b>115</b>	<b>122</b>
Servitudes		—	—	—	—	103	103	109	115	122
Licences and Rights		—	—	—	—	—	—	—	—	—
<b>Intangible Assets</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>103</b>	<b>103</b>	<b>109</b>	<b>115</b>	<b>122</b>
Computer Equipment		—	2,080	—	615	615	615	652	691	732
Furniture and Office Equipment		1,517	1,435	3,658	2,057	2,057	2,057	2,181	2,311	2,450
Machinery and Equipment		801	1,129	2,533	1,166	1,166	1,166	1,236	1,310	1,389
Transport Assets		4,247	5,997	11,082	4,982	4,982	4,982	5,281	5,598	5,934
Libraries		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>815,862</b>	<b>760,633</b>	<b>856,794</b>	<b>945,282</b>	<b>945,590</b>	<b>945,590</b>	<b>1,002,108</b>	<b>1,062,235</b>	<b>1,125,969</b>

EXPENDITURE OTHER ITEMS									
<u>Depreciation</u>									
<u>Repairs and Maintenance by Asset Class</u>									
7	51,686	31,712	33,726	38,000	38,315	38,315	39,315	40,651	41,880
3	1,895	5,525	5,441	5,571	5,571	5,571	4,520	7,291	7,729
Roads Infrastructure	310	2,615	3,263	1,000	1,000	1,000	600	1,636	1,734
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	930	1,548	1,743	1,219	1,219	1,219	2,100	2,226	2,360
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	5	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Infrastructure	1,240	4,163	5,012	2,219	2,219	2,219	2,700	3,862	4,094
Community Facilities	204	-	56	300	300	300	100	100	100
Sport and Recreation Facilities	-	-	-	300	300	300	-	-	-
Community Assets	204	-	56	600	600	600	100	100	100
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	365	874	-	795	795	795	300	324	349
Housing	-	-	-	-	-	-	-	-	-
Other Assets	365	874	-	795	795	795	300	324	349
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	400	424	449
Intangible Assets	-	-	-	-	-	-	400	424	449
Computer Equipment	-	-	-	117	117	117	-	-	-
Furniture and Office Equipment	47	68	27	106	106	106	100	106	112
Machinery and Equipment	-	271	63	1,522	1,522	1,522	120	127	135
Transport Assets	40	150	283	212	212	212	800	2,348	2,489
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	<b>53,582</b>	<b>37,238</b>	<b>39,167</b>	<b>43,571</b>	<b>43,886</b>	<b>43,886</b>	<b>43,835</b>	<b>47,943</b>	<b>49,609</b>
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	0.0%	0.0%	0.0%	3.0%	3.1%	3.1%	1.7%	3.0%	3.2%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>	0.0%	0.0%	0.0%	5.5%	5.5%	5.5%	2.5%	4.9%	5.5%
<i>R&amp;M as a % of PPE</i>	0.2%	0.7%	0.6%	0.6%	0.6%	0.6%	0.5%	0.7%	0.7%
<i>Renewal and upgrading and R&amp;M as a % of PPE</i>	0.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

LIM351 Blouberg - Table A10 Basic service delivery measurement

## PART 2-SUPPORTING DOCUMENTATION

### 2.1 Overview of annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Blouberg's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

To achieve the above, the IDP revision process plan as well as the budget process timetable were considered and approved by Council.

Below is the schedule for the IDP/Budget process for the 2017/2018 Financial Year as adopted by Council.

**2.2 The annual budget is aligned to the main strategic goals and objectives, which are as follows:**

LIM351 Blouberg - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective R thousand	Goal	Goal Code Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Basic services Delivery and infrastructure Development	Service Delivery		65,108	70,845	96,861	80,190	81,654	81,654	76,426	93,802	97,959
Local Economic Development and spatial planning	Economic Growth & Development and poverty alleviation		1,004	4,592	397	10,230	12,126	12,126	10,427	12,868	12,376
Municipal transformation and institutional development	Service Delivery		7,810	6,225	9,606	8,981	4,780	4,780	4,204	-	-
Good Governance and Public participation and financial viability	Publishing the municipal outcomes on the website and effecting community participation in the community and implementation of batho people in the revenue management strategy		136,856	193,250	212,180	219,588	223,993	223,993	215,296	216,643	231,842
<b>Allocations to other priorities</b>		2									
<b>Total Revenue (excluding capital transfers and contributions)</b>		1	210,777	274,912	319,044	318,988	322,553	322,553	306,353	323,313	342,177

LIM351 Blouberg - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand													
Community & Social Services	Service Delivery	A		–	23,866	22,312	20,500	22,364	22,364	9,870	25,988	31,179	
Waste management	Service Delivery	B		11	350	–	600	600	600	1,300			
Roads infrastructure Development	Service Delivery	C		33,926	42,387	36,304	28,436	25,736	25,736	35,996	18,362	15,546	
Electricity Infrasctructure Development	Service Delivery	D		7,971	9,317	12,696	9,233	10,642	10,642	6,824	19,431	21,299	
Governance and administration	Municipal offices(assets)	E		3,341	4,744	3,687	6,800	6,700	6,700	3,650	3,869	4,101	
Local Economic Development	Economic Growth & Development	F				205	4,000						
		G											
		H											
		I											
		J											
		K											
		L											
		M											
		N											
		O											
		P											
Allocations to other priorities				3									
Total Capital Expenditure				1	45,249	80,664	75,204	69,569	66,041	66,041	57,640	67,650	72,125

## Measurable performance objectives and indicators

### Ratios

<b>A. Asset Management/Utilisation</b>					
<b>1</b>	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	10% - 20%		17%
				Total Operating Expenditure	291,379,426
				Taxation Expense	-
				Total Capital Expenditure	57,640,450
<b>The municipality meet the norm at 17%</b>					

<b>A. Asset Management/Utilisation</b>					
<b>2</b>	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) × 100	8%		10%
				Total Repairs and Maintenance Expenditure	5,570,000
				PPE at carrying value	57,640,450
				Investment Property at Carrying value	-
<b>The municipality meet the norm at 10%</b>					

<b>B. Liquidity Management</b>					
					2 Month
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	1 - 3 Months	Cash and cash equivalents Unspent Conditional Grants Overdraft Short Term Investments  Total Annual Operational Expenditure	52,016,685 - - - 291,379,426
<b>The municipality meet the norm at 2 Months</b>					

The attainment of these objectives and strategies will require the collective efforts of all spheres of government and the private sector. While there has been no commitment on these objectives from other spheres of government it is pre-empted that through the IGR fora there will be a buy-in and commitment of resources for the attainment of such. It should be noted that there is an observation that with the resources available at the national fiscus not all millennium development goals will be attained as planned.

#### **IDENTIFIED STRATEGIES TO ADDRESS CHALLENGES IDENTIFIED IN THE ANALYSIS PHASE OF THE IDP**

##### **KPA 1: SPATIAL PLANNING AND RATIONALE**

	<b>STRATEGIC ISSUES</b>	<b>OBJECTIVES</b>	<b>STRATEGIES</b>
1	Access to land and housing	<ul style="list-style-type: none"> <li>To provide different housing typologies to 10 000 households by 2020</li> <li>To demarcate sites where there is a need</li> </ul>	<ul style="list-style-type: none"> <li>Acquisition of strategically located land with the assistance of the Department of Rural Development and Land Reform, the National Housing Agency and COGHSTA</li> <li>Development and implementation of a Land Use Management plan.</li> </ul>

			<ul style="list-style-type: none"> <li>• Development and implementation of master plans to guide the growth of settlements starting with growth points and corridors of development</li> <li>• Formalization of existing settlements</li> <li>• Implementation of tenure upgrading programmes to ensure security of tenure for residents</li> <li>• Development of good relations with traditional authorities</li> <li>• Engaging the COGHSTA on the provision of quality low cost houses as well as rental housing for the gap market</li> <li>• Radical shift away from Apartheid style of segregated development according to class to the implementation of integrated human settlements along the breaking new ground policy</li> <li>• Identification and demarcation of land for residential, business, agriculture and industrial purposes especially in areas of strategic importance</li> <li>• Building the planning capacity of the municipal personnel</li> </ul>
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## KPA 2: BASIC SERVICE DELIVERY

	STRATEGIC ISSUES	OBJECTIVES	STRATEGIES
1	Access to clean water	To provide clean drinking water to all villages	<ul style="list-style-type: none"> <li>• Long term strategy is to move away from reliance on underground water to reliance on surface water using the</li> </ul>

	<p>according to RDP standards by the end of 2020</p>	<p>Glen Alpine and Blouberg (Masetheku) dams as major sources of water</p> <ul style="list-style-type: none"> <li>• The District, as the WSA, must engage DWAE and Water Users Association of the Glen Alpine dam and the Mogalakwena River to change the use of water from commercial agricultural use to domestic use</li> <li>• The local municipality, together with the district, must review and implement the Water Services Development Plan which will also guide on the maintenance and upgrading of water assets to cover for the growth of settlements especially growth points and corridors of development.</li> <li>• Develop systems to detect water leakages in communities</li> <li>• Rehabilitation and maintenance of existing boreholes and water infrastructure</li> <li>• Improvement of cost recovery strategy to curb wastage of water</li> <li>• Identification of illegal connections and curbing them especially those affecting the rising main</li> <li>• Implementation of a Free Basic Water strategy</li> <li>• User paying for higher level of services</li> <li>• The usage of term contractors to avoid water services interruptions</li> </ul>
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			<ul style="list-style-type: none"> <li>• Resuscitation and training of water committees in communities</li> <li>• Embark on awareness campaigns on water saving techniques among community members</li> <li>• To curb or reduce theft of diesel engine pumps there should be a change to electric water pumps and installation of tracking devices such as micro-chips</li> <li>• Engage the Municipal Demarcation Board and CDM to grant powers and functions of water and sanitation to Blouberg Municipality.</li> </ul>
2	Access to sanitation	<p>To provide each household with a VIP toilet according to National sanitation policy standards by 2020</p> <p>To have awareness programmes in place focusing on health and hygiene related to sanitation</p>	<ul style="list-style-type: none"> <li>• Construction of sanitation facilities that adhere to policy standards with the priority targeting areas where the underground water table is closer to the surface</li> <li>• Enter into partnership with NGOs to fast track the provision of the service</li> <li>• Provision of Free Basic Sanitation to indigent households</li> <li>• User paying for higher level of services</li> </ul>
3	Access to energy services	<p>To provide all outstanding villages with electricity by 2020</p> <p>To ensure minimal energy consumption by users as per the national</p>	<ul style="list-style-type: none"> <li>• Using own electricity license to electrify extensions in villages that have grown over the years since their electrification.</li> <li>• Soliciting ESKOM for the provision of electricity to extensions to reduce backlogs in areas of ESKOM</li> </ul>

		<p>energy reduction strategy</p> <p>To also ensure the provision of electricity connections to settlement extensions</p>	<p>supply</p> <ul style="list-style-type: none"> <li>• Having a fully functional local energy forum</li> <li>• Exploration of alternative sources of energy(non grid)</li> <li>• Development and implementation of an energy master plan</li> <li>• Provision of Free Basic Electricity to indigent households</li> <li>• Embark on energy saving campaigns to reduce unnecessary energy consumption</li> </ul>
4	Access to roads and storm water	<p>To tar additional 150 km of roads and re – gravel 500 km of access roads by the end of 2020</p> <p>To grade internal streets on a continuous basis</p> <p>To ensure access to storm water facilities by all communities</p> <p>To construct low water bridges</p> <p>To build bus stop shelters and taxi ranks in strategic locations</p>	<ul style="list-style-type: none"> <li>• Engagement of Roads Agency-Limpopo on the tarring of roads especially the ones linking to nodes of economic activities</li> <li>• Engagement of the Department of Public Works and Roads for a grading programme and adherence to such</li> <li>• Sustaining and beefing up the municipal roads unit and capacity building to the three clusters established</li> <li>• Partnership with the local mining houses (De Beers and Coal of Africa) to help in funding and implementing some of the programmes on building new roads and maintaining existing ones.</li> <li>• Embark on programmes of upgrading some internal streets with the provision of storm water drainage facilities</li> <li>• Coordination of roads development and maintenance</li> </ul>

			<ul style="list-style-type: none"> <li>• Development of Integrated Roads and Transport master plan developments</li> <li>• Sustaining the local roads and transport forum</li> </ul>
5	Public transport	<p>To ensure all settlements have access to affordable and sustainable public transport</p> <p>To ensure availability of infrastructure to support public transport</p> <p>To build capacity to the transport industry</p>	<ul style="list-style-type: none"> <li>• Engage public transport operators to extend areas of coverage as well as hours of operation</li> <li>• Embark on campaigns that promote the use of public transport development especially to reduce global warming</li> <li>• Construction of new taxi ranks and upgrading of informal taxi ranks</li> <li>• Construction of taxis and bus shelters along major roads</li> <li>• Capacity building to the taxi industry e.g. on business management, safety awareness, customer care etc.</li> </ul>
6	Waste management	To provide and improve waste management and refuse removal to 100% of the population by 2020	<ul style="list-style-type: none"> <li>• Development of a waste management roll out plan</li> <li>• Provision of onsite storage systems</li> <li>• Establishment of compliant/licensed landfill sites</li> <li>• Provision of regular waste collection</li> <li>• Purchase and maintenance of additional waste bins, waste compactor and waste plant.</li> <li>• Provision of environmental awareness of the detrimental effects of waste.</li> <li>• Sustaining the use of 100 general workers to rollout the</li> </ul>

			<p>function</p> <ul style="list-style-type: none"> <li>• Integrating the CWP and EPWP and the use of municipal staff into the waste programme</li> </ul>
6	Access to educational facilities	<p>To ensure that all learners have access to education by 2018.</p> <p>Standard ECD facilities- 85% BY 2030</p> <p>Establish and support learner ship programmes through SETAs</p>	<ul style="list-style-type: none"> <li>• Building additional classrooms in areas with few classrooms</li> <li>• Identification of inaccessible educational facilities</li> <li>• Engagement of the departments of education and public works to provide the necessary infrastructure</li> <li>• Fostering partnerships to achieve the objective</li> <li>• Provision of learner with bicycles and scholar transport</li> <li>• Building of new schools</li> <li>• Promotion of ABET projects</li> </ul>
6	Access to health	<p>To ensure that all residents in the municipal area have access to primary health care facilities within 5km walking distance by 2020</p>	<ul style="list-style-type: none"> <li>• Coordination of the establishment of and increasing clinics and mobile centres in the area</li> <li>• Lobbying the Department of Health to upgrade old clinics such as Schoongezicht and build new ones in areas outside the norm</li> <li>• Upgrading Ratshaatshaa and Blouberg health centres to be a fully fledged hospitals</li> <li>• Provision of mobile health facilities</li> <li>• Establishment of a programme of volunteerism</li> </ul>

7	Access to communication	To give 80% of the population access to posts and telecommunication by 2020	<ul style="list-style-type: none"> <li>• Building of new post offices</li> <li>• Establishment of telecentres</li> <li>• Facilitating the increase in cellular network coverage by partnering with major cellular operators to provide such</li> <li>• Supporting and encouraging the establishment of Thusong Service Centres (MPCC)</li> <li>• Supporting and facilitating the establishment of a community radio station</li> <li>• Establishing a local publication and newsletters</li> </ul>
8	Emergency services	To provide 100% of the population with access to emergency services by 2016	<ul style="list-style-type: none"> <li>• Development of a disaster management plan</li> <li>• Building emergency stations</li> </ul>
09	Sports and recreation	<p>To ensure and improve access to recreation and sporting facilities to 90% of the population by the end 2018</p> <p>To promote the effective use and maintenance of sports facilities</p>	<ul style="list-style-type: none"> <li>• Encouraging people to participate in sporting activities</li> <li>• Construction of multipurpose sports complex</li> <li>• Renovation and upgrading existing sports grounds</li> <li>• Diversification of sporting codes</li> </ul> <p>Encouraging coaching clinics and sporting competitions</p>
10	Environment	To provide a sound environmental	<ul style="list-style-type: none"> <li>• Adoption of Integrated Environmental Management</li> </ul>

		<p>conservation and management plan.</p> <p>To have a well coordinated environmental strategy by 2020</p>	<ul style="list-style-type: none"> <li>principles for all development projects</li> <li>• Development and conducting environmental awareness campaigns</li> <li>• Exploration and promotion of alternative energy sources which are not harmful to the environment.</li> <li>• Ensuring compliance with environmental laws, especially NEMA.</li> </ul>
11	HIV-AIDS	<p>To reduce and prevent the infection of HIV-AIDS related deaths.</p> <p>To establish programmes to deal with the effects of HIV-AIDS, especially for AIDS orphans</p> <p>To encourage home based care</p>	<ul style="list-style-type: none"> <li>• Co-coordinating and supporting municipality – based AIDS awareness in conjunction with the Department of Health and Social Development</li> <li>• Developing HIV-AIDS support programmes</li> <li>• Partnering with the private sector to deal with the scourge of HIV.</li> </ul>

### KPA 3: LOCAL ECONOMIC DEVELOPMENT

	STRATEGIC AREA	OBJECTIVES	STRATEGIES
1	Economic development	<ul style="list-style-type: none"> <li>• To promote job creation in the municipality by 6% annually</li> <li>• To create and promote LED</li> </ul>	<ul style="list-style-type: none"> <li>• Reviewing current LED strategy and subsequent implementation through partnership</li> <li>• Planning and coordinating LED activities</li> <li>• Supporting entrepreneurial</li> </ul>

		<p>initiatives in the SMME sector</p> <ul style="list-style-type: none"> <li>• To broaden the skills base of the communities</li> <li>• To acquire strategically located land for economic development</li> </ul>	<p>development</p> <ul style="list-style-type: none"> <li>• Supporting and promoting local procurement</li> <li>• Implementation of local empowerment strategies that include joint venturing in the implementation of projects</li> <li>• Skills development and capacity building programmes for locals.</li> <li>• Engage the Capricorn FET College to ensure the curriculum offers market-related programmes</li> <li>• Develop a database of unemployed graduates and prioritize re-skilling where needed</li> <li>• Engage the SETAs to assist on skills development programmes for community members</li> <li>• Lobby for the establishment of additional institutions of higher learning</li> <li>• Supporting and promoting labour intensive methods in community based infrastructure projects.</li> <li>• Together with the provincial and national government there is a need to embark on programmes such as Community Work Programme and Expanded Public Works Programme to create a safety job net for local communities</li> <li>• Place marketing and investor attraction (development of place marketing brochures and video and placing such on the municipal website)</li> <li>• Identification of strategically located land and acquisition thereof</li> </ul>
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			<ul style="list-style-type: none"> <li>• Provision of preferential tariffs on rates and taxes to help in the expansion and retention of business, farms and industries</li> <li>• Provision of supporting infrastructure such as roads networks, energy supply and water and sanitation supply to aid business development</li> </ul>
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#### KPA 4, GOOD GOVERNANCE AND PUBLIC PARTICIPATION

	STRATEGIC AREA	STRATEGIC OBJECTIVES	STRATEGIES
1.	Good governance and public participation	<ul style="list-style-type: none"> <li>• Enhance total community participation</li> <li>• Ensure the attainment of a clean audit in line with Operation clean target of 2014</li> </ul>	<ul style="list-style-type: none"> <li>• Sustain good community participation practice as contained in the communication strategy</li> <li>• Develop and implement action plan to address all issues raise by the Auditor—General</li> <li>• Capacitate and strengthen the MPAC</li> <li>• Establish and capacitate the risk unit and risk committee</li> <li>• Sustain the functionality of the internal audit committee</li> <li>• Establish an internal pre-audit committee</li> </ul>
2.	General planning (long term planning)	<ul style="list-style-type: none"> <li>• To ensure forward long term planning in line with the national government vision 2030</li> </ul>	<ul style="list-style-type: none"> <li>• Municipality to develop a growth and development strategy (Blouberg Vision 2030)</li> <li>• Cluster development along nodes and corridors of development</li> <li>• Quantify all backlogs and develop a</li> </ul>

			priority list for all such backlogs as reflected in the tables below
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#### KPA 5, FINANCIAL VIABILITY

STRATEGIC AREA	STRATEGIC OBJECTIVES	STRATEGIES
1	<p>To increase municipal revenue base by 80% by 2014</p> <p>To recover all outstanding debts by end of 2013\14 financial year</p> <p>To provide deserving indigents with free basic services</p> <p>To improve the assets management capacity of the municipality</p>	<ul style="list-style-type: none"> <li>• Development of a financial plan</li> <li>• Development and improvement of financial management policies in line with the Municipal Finance Management Act</li> <li>• Reduction of operational expenditure by cutting down on unnecessary costs</li> <li>• Employment of knowledgeable personnel</li> <li>• Capacity building to all municipal staff and councilors on financial management</li> <li>• Update the indigent register from time to time</li> <li>• Beefing up cost recovery measures</li> </ul>

			<ul style="list-style-type: none"> <li>• Cost recovery awareness campaigns</li> <li>• Procuring or upgrading of financial system</li> <li>• Sustain the current pilot project of field cashiers</li> <li>• Embark on a process of unbundling of municipal assets</li> </ul>
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#### KPA 6, MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

	STRATEGIC AREA	STRATEGIC OBJECTIVES	STRATEGIES

1.	Municipal transformation and organizational development	<ul style="list-style-type: none"> <li>• To address the retention of skilled personnel</li> <li>• To address skills gaps</li> <li>• To address the plight of special focus groups</li> <li>• To decentralize municipal services to communities for them to access such within reduced distances</li> </ul>	<ul style="list-style-type: none"> <li>• Development and implementation of the staff retention policy</li> <li>• Development and implementation of a credible WSDP especially to attend to training and development in priority areas such as Finance, Engineering, Auditing and Town planning</li> <li>• Beefing up the special focus unit to have personnel responsible for children and the elderly</li> <li>• Sustain existing satellite offices and establish new ones</li> </ul>
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## 2.4 Overview of Budget Related policy

**Key to budget-related policies;**

### Budget Related Policy

The purpose of budget-related and financial policies is to provide a sound environment to manage the financial affairs of the municipality. The following are key budget relating policies:

**Tariff Structure** – the policy prescribes the procedures for calculating tariffs. This policy is required in terms of Section 74 of the Local Government Municipal Systems Act, **Act 22 of 2000**.

**Indigent Support Policy** – to provide access to and regulate free basic services to all indigent households.

**Credit Control and Debt Collection Policy** – to provide for credit and debt collection procedures and mechanisms to ensure that all consumers pay for the services that are supplied.

**Budget Policy** – this policy set out the principles which must be followed in preparing a medium term revenue and expenditure framework budget. It further ensures that the budget reflects the strategic outcomes embodied in the IDP and related strategic policies.

**Investment Policy** – this policy was compiled in accordance with the Municipal Investment Regulations and ensures that cash resources are managed in the most efficient and effective manner possible.

**Asset Management Policy** – the objective of the policy is to prescribe the accounting and administrative procedures relating to property, plant and equipment (assets).

**Supply Chain Management Policy** – this policy is developed in terms of Section 111 of the Municipal Finance Management Act, Act 56 of 2003. The principles of this policy is to give effect to a fair, equitable, transparent, competitive and cost-effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of municipal services.

**Cash Management Policy**- to ensure that there is a proper cash flow management and control.

**Payroll Policy:** To provide guidelines and restrictions with regard to the compensation of employees for the fulfillment of their employment obligations within Blouberg Local Municipality.

**Fund Reserve Policy:** In terms of regulation 8 of the Municipal Budget and Reporting Regulations., each Municipality must have a funding and reserves policy

**Property Rates and By-Law Policy** - to enable the municipality to levy rates on ratable properties

and apply rebates and discounts on certain categories of properties.

**Unauthorized, irregular, or fruitless and wasteful:** The objective of this policy document is to clearly define the responsibilities of the Blouberg Local Municipality in terms of the Municipal Finance Management Act with respect to Unauthorized, Irregular, Fruitless and Wasteful expenditure.

**Draft cost containment measures policy** in terms of draft Regulation issued by 16 February 2018

### **The following policies were reviewed**

- Indigent Support Policy.
- Tariff Policy-Rates increased.
- Impairment Policy
- Credit control and debt management
- Assets management

### **The summary of amendments:**

Indigent policy

Households earning a joint income of not more than R 3400 per month (proof of pay slips/copy of recent bond statements). Residents of Blouberg Local Municipality and Residents in possession of a valid South African Identity Document.

The discount of 70% to pensioners on property rates.

Tariffs Policy

Sale of Electricity,

### The electricity tariffs

Electricity tariffs will be increase by 6 % as proposed and submitted to NERSA but not yet received the approval.

### **Refuse and Other Revenue source,**

In terms of MFMA Circular 86 National Treasury encourage municipalities to maintain tariff increase at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price index (CP) inflation has however breached the upper limit of the 3 to 6 per cent target band; therefore municipalities are now required to justify all increases in excess of the 6.4 per cent projected inflation target in their budget narratives.

Therefore Municipal services tariffs will increase by 6 per cent of the services offered by municipality revenue sources e.g. Refuse removal, Advertisements, Animal pounds and Cemeteries ect.

### Impairment Policy

The policies was showing as per Grap standard, Therefore we outline what required as Grap to say the methodology for assessing individual significant debtors.

### Credit control and debt management policy

Insert the date which meter reading where taken (20 and 26 of each month) and Municipality can make use of technology (sms, email) for sending invoices to facilitate timeous receipt.

### Assets Management

The Grap alignment was not correct; therefore, we redrafted and align the policy with Grap standard.

### **Property Rate**

CATEGORY	CURRENT TARIFF(17/18)	PROPOSED TARIFF (CENT IN A RAND)
----------	-----------------------	----------------------------------

		(2018/19)
Residential	0.0059	0.0063
Residential property consent use	0.0094	0.010
Residential impermissible or illegal use	0.0118	0.013
Residential vacant land	0.0083	0.088
Farms	0.0018	0.0019
State owned properties	0.0349	0.0350
Businesses\ commercial	0.0083	0.013

## 2.5 Overview of Budget assumptions

### 2.5.1 General inflation outlook and its impact on the municipal activities

There are three key factors that have been taken into consideration in the compilation of the 2018/19 MTREF:-

National Government macro-economic targets;

- The impact of municipal cost drivers;
- The increase in the cost of remuneration, Employee costs plus councillors remuneration is 36 per cent of total operating expenditure in the 2019/20 MTREF.

### 2.5.2 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilized to fund capital or refinancing of borrowing in certain conditions. The Municipality is not intended to take any borrowings to finance its capital assets for the 2018/19 budget year to minimize the interest rate costs and risks.

### 2.5.3 Collection rate for revenue services

It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term. It is also assumed that the revenue will increase after the demarcation has been finalised and all the wards has been allocated according to the demarcation board approval. The rate of revenue collection is currently expressed as a percentage (**62 per cent**) of annual billings.

#### **5.2.4 Operational and Capital Grants**

It has been assumed that 100 per cent of the grants will be received.

#### **5.2.4 Salary increases**

Circular No. 91 state that, "The Salary and Wage Collective Agreement for the period 01 July 2015 to 31 June 2018 has come to an end. The process is under consultation; therefore, in the absence of other information from the South African Local Government Bargaining Council communication will be provided at a later stage". Therefore, the municipality for salaries budget used 8% this percentage is between the inflation rate of 5.3% plus 3.7%, which is the municipal provision as we are waiting for job description result during April. For councillor's remuneration municipality used 6%, which is latest approved upper limit.

#### **5.2.4 Ability of the municipality to spend and deliver on the programmes**

MFMA circular No.71 state that at least **10-20 per cent** of total expenditure will be spent on the implementation of capital projects. During the preparation of 2018/19 budget we anticipated to spend **20 percent** of total expenditure to capital projects.

#### **5.2.5 And also The following assumptions were used in compiling the budget;**

- Ensuring that expenditure is aligned to revenue and that the municipality has sufficient cash to finance the expenditure.
- Ensure that the municipality avoids borrowings.
- Ensure that the budget respond to priorities enlisted in the IDP.
- Review of all programmes and cost centers to minimize wastage.
- Ensure that services are cost reflective, affordable and sustainable.
- Ensure that realistic revenue targets are set based on trends.

- Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate
- Ensuring that service providers use labour intensive approaches;
- Supporting labour intensive LED projects
- Participating fully in the Expanded Public Works Programme; and
- Implementing interns programmes to provide young people with on-the-job training.
- Price benchmarking;
- Encourage the enforcement of remedial actions (penalties, litigations, restrictions etc.) on all suppliers that act fraudulently; and
- Refinement to the register for tender defaulters and the database of restricted supplies which must be checked prior to awarding of contracts in order to ensure that no restricted companies are awarded contracts.
- Follow the national guide on the salary and CPI.
- NERSA guideline on tariff increase
- National guide in the application of cost containment measures as per MFMA circular 86

## **2.6 Overview of budget funding**

The funding of operating and capital expenditure are funded as follow:

The municipality fund the operational expenditure from municipal own revenue which is services charges and grants.

### **2.6.1. Operating and Capital Expenditure**

For Blouberg Local Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. We believe that with a new demarcation will increase our source of revenue. The below table shows that the operating and capital expenditure are funded.

**Table-1 Summary of revenue classified by main revenue source**

LIM351 Blouberg - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20
<b>Financial Performance</b>										
Property rates	14,985	20,289	25,065	24,463	24,463	24,463	21,445	26,000	27,560	29,214
Service charges	17,100	16,892	20,597	27,328	26,328	26,328	13,506	27,949	29,614	31,383
Investment revenue	1,040	1,504	2,072	1,500	1,600	1,600	—	1,500	1,590	1,685
Transfers recognised - operational	122,143	152,320	185,947	195,153	195,153	195,153	—	189,279	184,605	197,882
Other own revenue	7,406	31,945	9,337	20,237	23,237	23,237	4,008	13,310	15,833	15,497
<b>Total Revenue (excluding capital transfers and contributions)</b>	162,673	222,951	243,017	268,681	270,781	270,781	38,959	258,038	259,203	275,662
Employee costs	69,842	77,443	87,556	101,539	102,870	102,870	65,050	107,641	146,359	153,719
Remuneration of councillors	12,139	12,906	17,510	17,584	19,013	19,013	—	16,757	17,762	18,828
Depreciation & asset impairment	51,686	31,712	33,726	38,000	38,315	38,315	—	39,315	41,674	44,174
Finance charges	—	372	314	—	—	—	—	—	—	—
Materials and bulk purchases	21,208	28,794	31,483	31,329	31,969	31,969	17,532	34,520	42,091	44,617
Transfers and grants	—	—	—	—	—	—	—	—	—	—
Other expenditure	47,197	69,716	79,628	106,068	108,745	108,745	62,694	93,147	73,436	78,334
<b>Total Expenditure</b>	202,072	220,942	250,217	294,520	300,912	300,912	145,276	291,379	321,321	339,671
<b>Surplus/(Deficit)</b>	(39,399)	2,008	(7,200)	(25,839)	(30,131)	(30,131)	(106,317)	(33,342)	(62,118)	(64,010)
Transfers and subsidies - capital (monetary alloc	48,104	51,962	75,676	49,836	51,300	51,300	—	47,786	63,550	65,925
Contributions recognised - capital & contributed a	—	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	8,705	53,970	68,476	23,997	21,169	21,169	(106,317)	14,444	1,432	1,915
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) for the year</b>	8,705	53,970	68,476	23,997	21,169	21,169	(106,317)	14,444	1,432	1,915
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	45,249	80,664	75,204	69,569	66,041	66,041	33,805	57,640	67,650	72,125
Transfers recognised - capital	41,339	49,669	67,030	49,836	51,305	51,305	28,893	45,611	63,550	65,925
Public contributions & donations	—	19,462	—	—	—	—	—	—	—	—
Borrowing	—	—	—	—	—	—	—	—	—	—
Internally generated funds	3,910	11,534	8,174	19,733	14,736	14,736	4,911	12,029	4,100	6,200
<b>Total sources of capital funds</b>	45,249	80,664	75,204	69,569	66,041	66,041	33,805	57,640	67,650	72,125

## **Property Rates**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. The municipal property Rates is calculated based latest consolidated valuation roll received from the municipal property valuator during the current year (General valuation roll and supplementary valuation roll). 2018/19 in 2020/21. This budget is based on the MPRA, revised randage and property rate policy for 2018/19.

## **Interest earned – External investments**

The budget for interest receive on external investment is the overage of interest received from 2015/16 to 2016/17 as per audited AFS. Included in the budget for interest received on external investment is the interest expected to receive for 2018/19 financial year amounting to R 1.5 million.

**2.7 The following table shows the Expenditure on allocations and grant programmes ( SA 18)**

LIM351 Blouberg - Supporting Table SA18 Transfers and grant receipts

Description R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
National Government:		<b>121,458</b>	<b>148,137</b>	<b>167,663</b>	<b>170,505</b>	<b>170,505</b>	<b>170,505</b>	<b>172,408</b>	<b>184,605</b>	<b>197,882</b>
Local Government Equitable Share		117,073	143,794	155,297	161,111	161,111	161,111	167,730	182,071	195,348
Finance Management		1,800	1,800	2,433	2,533	2,533	2,533	2,534	2,534	2,534
EPWP Incentive		1,651	1,613	1,808	1,562	1,562	1,562	1,089	—	—
Municipal Systems Improvement		934	930	—	—	—	—	1,055	—	—
Other transfers/grants MDTG		—	—	8,125	2,255	2,255	2,255			
Other transfers/grants MDTG				3,044	3,044	3,044	3,044			
Provincial Government:		—	—	—	—	—	—	—	—	—
Other transfers/grants MDTG										
District Municipality:		<b>684</b>	<b>1,266</b>	<b>2,250</b>	<b>4,550</b>	<b>4,550</b>	<b>4,550</b>	<b>3,000</b>	<b>—</b>	<b>—</b>
[insert description]		684	1,266	2,250	1,550	1,550	1,550	3,000	—	—
3,000				3,000	3,000	3,000	3,000			
Other grant providers:		—	—	<b>19,525</b>	<b>20,098</b>	<b>20,098</b>	<b>20,098</b>	<b>13,871</b>	<b>—</b>	<b>—</b>
[insert description]				19,525	20,098	20,098	20,098	13,871		
Total Operating Transfers and Grants	5	<b>122,142</b>	<b>149,403</b>	<b>189,438</b>	<b>195,153</b>	<b>195,153</b>	<b>195,153</b>	<b>189,279</b>	<b>184,605</b>	<b>197,882</b>
<b>Capital Transfers and Grants</b>										
National Government:		<b>46,408</b>	<b>71,731</b>	<b>53,381</b>	<b>49,836</b>	<b>51,304</b>	<b>51,304</b>	<b>47,786</b>	<b>63,550</b>	<b>65,925</b>
43,408		64,731	44,381	42,836	44,304	44,304	44,304	43,491	44,350	46,725
3,000				—	—	—	—			
7,000				—	—	—	—			
9,000				—	—	—	—			
7,000				—	—	—	—			
7,000				—	—	—	—			
4,295				—	—	—	—			
19,200				—	—	—	—			
19,200				—	—	—	—			
Provincial Government:		—	—	—	—	—	—	—	—	—
Other capital transfers/grants [insert description]										
District Municipality:		—	—	—	—	—	—	—	—	—
[insert description]										
Other grant providers:		—	—	—	—	—	—	—	—	—
[insert description]										
Total Capital Transfers and Grants	5	<b>46,408</b>	<b>71,731</b>	<b>53,381</b>	<b>49,836</b>	<b>51,304</b>	<b>51,304</b>	<b>47,786</b>	<b>63,550</b>	<b>65,925</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		<b>168,550</b>	<b>221,134</b>	<b>242,819</b>	<b>244,988</b>	<b>246,457</b>	<b>246,457</b>	<b>237,065</b>	<b>248,155</b>	<b>263,807</b>

### **2.7.1 Operating Expenditure Framework**

The Blouberg Local Municipality's expenditure framework for the 2018/19 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue)
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programmes
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherences to the principle of no project plan *no budget*.

LIM351 Blouberg - Supporting Table SA19 Expenditure on transfers and grant programme

Description R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		121,458	148,137	163,592	170,505	170,505	170,505	172,408	184,605	197,882
Local Government Equitable Share		117,073	143,794	155,297	161,111	161,111	161,111	167,730	182,071	195,348
Finance Management		1,800	1,800	2,433	2,533	2,533	2,533	2,534	2,534	2,534
EPWP Incentive		1,651	1,613	1,808	1,562	1,562	1,562	1,089	-	-
Municipal Systems Improvement		934	930		-	-	-	1,055	-	-
Other transfers/grants MDTG				4,054	3,044	3,044	3,044			
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants MDTG										
District Municipality:		684	1,266	2,250	4,550	4,550	4,550	3,000	-	-
[insert description]		684	1,266	2,250	1,550	1,550	1,550	3,000	-	-
3,000				3,000	3,000	3,000	3,000	-	-	-
Other grant providers:		-	-	19,525	20,098	20,098	20,098	13,871	-	-
[insert description]				19,525	20,098	20,098	20,098	13,871	-	-
<b>Total operating expenditure of Transfers and Grants</b>		122,142	149,403	185,367	195,153	195,153	195,153	189,279	184,605	197,882
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		46,408	71,731	53,381	49,836	51,304	51,304	47,786	63,550	65,925
43,408		64,731	44,381	42,836	44,304	44,304	44,304	43,491	44,350	46,725
3,000		7,000	9,000	7,000	7,000	7,000	7,000	4,295	19,200	19,200
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total capital expenditure of Transfers and Grants</b>		46,408	71,731	53,381	49,836	51,304	51,304	47,786	63,550	65,925
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		168,550	221,134	238,748	244,988	246,457	246,457	237,065	248,155	263,807

## **2.8 Allocation grant made by the Municipality**

Municipality does not have or made allocation grant

## **2.9 The following tables shows the councilor and board member allowance and employers benefits**

### **2.9.1 Employee related cost**

The budgeted allocation for employee related costs for the 2018/19 budget year is R 107.6 million. This budget amount is made of current employee as reflected in 2017/18 adjusted budget plus 08 percent increase no budget for vacant post, however the municipality will adjust the employees related cost during the 2018/19 compilation of final budget.

### **2.9.2 Remuneration of councillors**

The cost associated with the remuneration of councillors is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget. The determination of salaries, allowances and benefits of different members of Council is based on 06 percent council upper limit approved during this financial year.

LIM351 Blouberg - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
	1	A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		7,448	7,940	9,384	8,294	7,756	7,756	8,376	8,879	9,411
Pension and UIF Contributions		956	1,024	963	2,322	2,721	2,721	2,939	3,115	3,302
Medical Aid Contributions					—	—	—	—	—	—
Motor Vehicle Allowance		2,738	2,941	6,151	2,806	3,654	3,654	3,947	4,184	4,435
Cellphone Allowance		997	1,001	1,013	1,003	1,023	1,023	1,105	1,171	1,242
Housing Allowances					158	158	158	171	181	192
Other benefits and allowances					3,600	3,600	3,600	3,888	4,121	4,369
<b>Sub Total - Councillors</b>		<b>12,139</b>	<b>12,906</b>	<b>17,510</b>	<b>14,584</b>	<b>18,913</b>	<b>18,913</b>	<b>20,426</b>	<b>21,652</b>	<b>22,951</b>
% increase	4		6.3%	35.7%	(16.7%)	29.7%	—	8.0%	6.0%	6.0%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		3,281	3,643	2,526	4,096	5,146	5,146	5,558	6,003	6,483
Pension and UIF Contributions		665	636	544	723	723	723	781	844	911
Medical Aid Contributions		—			—	—	—	—	—	—
Overtime		—			—	—	—	—	—	—
Performance Bonus		—			—	—	—	—	—	—
Motor Vehicle Allowance	3	1,347	1,233	1,182	1,374	1,374	1,374	1,484	1,602	1,731
Cellphone Allowance	3		125	107	148	148	148	160	172	186
Housing Allowances	3				—	—	—	—	—	—
Other benefits and allowances	3			—	3	3	3	3	3	3
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Senior Managers of Municipality</b>		<b>5,294</b>	<b>5,637</b>	<b>4,359</b>	<b>6,344</b>	<b>7,394</b>	<b>7,394</b>	<b>7,985</b>	<b>8,624</b>	<b>9,314</b>
% increase	4		6.5%	(22.7%)	45.5%	16.6%	—	8.0%	8.0%	8.0%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		37,386	41,820	48,714	52,503	52,503	52,503	56,703	60,105	63,712
Pension and UIF Contributions		8,593	9,328	10,433	13,110	12,510	12,510	13,511	14,322	15,181
Medical Aid Contributions		2,314	2,855	3,272	3,662	3,662	3,662	3,954	4,192	4,443
Overtime		1,034	1,143	1,214	759	1,259	1,259	1,360	1,441	1,528
Performance Bonus		—			800	800	800	653	692	734
Motor Vehicle Allowance	3	8,047	8,356	9,119	12,803	12,803	12,803	13,827	14,657	15,536
Cellphone Allowance	3	1,432	1,387	1,621	1,571	1,571	1,571	1,696	1,798	1,906
Housing Allowances	3	273	263	225	136	236	236	255	270	286
Other benefits and allowances	3	5,469	6,655	5,665	6,752	9,583	9,583	10,350	10,971	11,629
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Other Municipal Staff</b>		<b>64,548</b>	<b>71,806</b>	<b>80,264</b>	<b>92,095</b>	<b>94,926</b>	<b>94,926</b>	<b>102,309</b>	<b>108,448</b>	<b>114,954</b>
% increase	4		11.2%	11.8%	14.7%	3.1%	—	7.8%	6.0%	6.0%
<b>Total Parent Municipality</b>		<b>81,981</b>	<b>90,349</b>	<b>102,133</b>	<b>113,023</b>	<b>121,233</b>	<b>121,233</b>	<b>130,720</b>	<b>138,723</b>	<b>147,219</b>
			10.2%	13.0%	10.7%	7.3%	—	7.8%	6.1%	6.1%

2.10 The following table shows the monthly targets for revenue and expenditure and cash flow

LIM351 Blouberg - Supporting Table SA30 Budgeted monthly cash flow



Cash Payments by Type															
Employee related costs	8,970	8,970	8,970	8,970	8,970	8,970	8,970	8,970	8,970	8,970	8,970	8,970	107,641	146,359	153,719
Remuneration of councillors	1,316	1,403	1,403	1,403	1,403	1,403	1,403	1,403	1,403	1,403	1,403	1,414	16,757	17,762	18,828
Finance charges	–											–			
Bulk purchases - Electricity	2,163	2,819	2,916	2,965	2,482	2,872	2,564	2,524	2,301	2,414	2,017	1,964	30,000	34,800	36,888
Bulk purchases - Water & Sewer	–											–	–	–	–
Other materials	48	332	100	35	500	–	500	156	563	985	156	1,145	4,520	7,291	7,729
Contracted services	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	12,705	15,467	14,954
Transfers and grants - other municipalities		–	–	–								–	–	–	–
Transfers and grants - other		–	–	–								–	–	–	–
Other expenditure	1,875	1,982	5,026	10,337	6,192	4,135	9,854	5,875	9,659	6,852	2,536	7,963	72,286	56,472	54,374
<b>Cash Payments by Type</b>	<b>15,431</b>	<b>16,565</b>	<b>19,473</b>	<b>24,769</b>	<b>20,605</b>	<b>18,438</b>	<b>24,350</b>	<b>19,986</b>	<b>23,954</b>	<b>21,683</b>	<b>16,141</b>	<b>22,515</b>	<b>243,909</b>	<b>278,151</b>	<b>286,491</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	1,533	2,549	2,667	1,785	1,960	11,411	6,533	3,543	4,567	9,854	6,255	4,985	57,640	67,650	72,125
Repayment of borrowing												–	–	–	–
Other Cash Flows/Payments												–	–	–	–
<b>Total Cash Payments by Type</b>	<b>16,963</b>	<b>19,114</b>	<b>22,140</b>	<b>26,554</b>	<b>22,566</b>	<b>29,849</b>	<b>30,882</b>	<b>23,529</b>	<b>28,520</b>	<b>31,537</b>	<b>22,395</b>	<b>27,500</b>	<b>301,549</b>	<b>345,801</b>	<b>358,616</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>77,804</b>	<b>(14,002)</b>	<b>(16,304)</b>	<b>(21,432)</b>	<b>(19,466)</b>	<b>47,875</b>	<b>(24,856)</b>	<b>(15,787)</b>	<b>51,956</b>	<b>(26,545)</b>	<b>(16,940)</b>	<b>(21,499)</b>	<b>804</b>	<b>(22,488)</b>	<b>(16,439)</b>
Cash/cash equivalents at the month/year begin:	57,288	135,091	121,089	104,785	83,353	63,887	111,763	86,907	71,119	123,075	96,531	79,591	57,288	58,092	35,603
Cash/cash equivalents at the month/year end:	135,091	121,089	104,785	83,353	63,887	111,763	86,907	71,119	123,075	96,531	79,591	58,092	58,092	35,603	19,164

**2.11 The following table shows the service delivery budget implementation plan**

LIM351 Blouberg - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description R thousand	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
<b>Revenue by Vote</b>																	
Vote 1 - Executive and Council		6,935			6,935									—	13,871	—	—
Vote 2 - Finance and Administration		86,756	63	1,693	1,693	638	35,241	639	1,254	69,117	1,503	1,453	1,491	201,541	216,643	231,842	
Vote 3 - Community Services		—	—	1,089		—	500	1,500	—	1,000	—	—	—	4,089	—	—	
Vote 4 - Public Safety		432	442	488	674	461	455	633	425	923	904	562	622	7,022	7,443	7,890	
Vote 5 Waste Management		72	72	72	72	72	72	72	72	72	72	72	72	860	840	882	
Vote 6 - Technical administration and Trading Service		2,309	1,070	2,857	1,821	1,910	1,562	4,533	3,309	5,834	3,045	2,452	1,372	32,075	48,612	50,352	
Vote 7 - Roads and Transport		20,369	—	—	—	—	20,244	—	—	2,878	—	—	—	43,491	44,350	46,725	
Vote 8 - Planning and Development		250	900	500	300	120	150	160	105	150	250	250	270	3,405	5,425	4,486	
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
<b>Total Revenue by Vote</b>		<b>117,123</b>	<b>2,547</b>	<b>6,698</b>	<b>11,495</b>	<b>3,200</b>	<b>58,224</b>	<b>7,536</b>	<b>5,165</b>	<b>79,974</b>	<b>5,773</b>	<b>4,789</b>	<b>3,827</b>	<b>306,353</b>	<b>323,313</b>	<b>342,177</b>	



<u>Expenditure by Vote to be appropriated</u>	5,385	5,385	5,385	5,385	5,385	5,385	5,385	5,385	5,385	5,385	5,385	5,385	64,621	59,530	57,056	
Vote 1 - Executive and Council	5,385	5,385	5,385	5,385	5,385	5,385	5,385	5,385	5,385	5,385	5,385	5,385	10,807	129,688	163,774	173,393
Vote 2 - Finance and Administration	10,807	10,807	10,807	10,807	10,807	10,807	10,807	10,807	10,807	10,807	10,807	10,807	10,807	129,688	163,774	173,393
Vote 3 - Community Services	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	18,674	14,238	15,089
Vote 4 - Public Safety	1,220	1,220	1,220	1,220	1,220	1,220	1,220	1,220	1,220	1,220	1,220	1,220	1,220	14,637	15,516	16,446
Vote 5 Waste Management	186	186	186	186	186	186	186	186	186	186	186	186	186	2,230	2,364	2,506
Vote 6 - Technical administration and Trading Service	3,560	3,560	3,560	3,560	3,560	3,560	3,560	3,560	3,560	3,560	3,560	3,560	3,560	42,725	45,468	51,402
Vote 7 - Roads and Transport	640	640	640	640	640	640	640	640	640	640	640	640	640	7,677	8,637	11,275
Vote 8 - Planning and Development	927	927	927	927	927	927	927	927	927	927	927	927	927	11,128	11,796	12,503
Vote 9 - [NAME OF VOTE 9]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>24,282</b>	<b>24,282</b>	<b>24,282</b>	<b>24,282</b>	<b>24,282</b>	<b>24,282</b>	<b>24,282</b>	<b>24,282</b>	<b>24,282</b>	<b>24,282</b>	<b>24,282</b>	<b>24,282</b>	<b>291,379</b>	<b>321,321</b>	<b>339,671</b>	
<b>Surplus/(Deficit) before assoc.</b>	<b>92,842</b>	<b>(21,734)</b>	<b>(17,583)</b>	<b>(12,786)</b>	<b>(21,081)</b>	<b>33,942</b>	<b>(16,746)</b>	<b>(19,116)</b>	<b>55,692</b>	<b>(18,508)</b>	<b>(19,492)</b>	<b>(20,455)</b>	<b>14,974</b>	<b>1,992</b>	<b>2,506</b>	
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>92,842</b>	<b>(21,734)</b>	<b>(17,583)</b>	<b>(12,786)</b>	<b>(21,081)</b>	<b>33,942</b>	<b>(16,746)</b>	<b>(19,116)</b>	<b>55,692</b>	<b>(18,508)</b>	<b>(19,492)</b>	<b>(20,455)</b>	<b>14,974</b>	<b>1,992</b>	<b>2,506</b>

## **2.12 Contract having future budgetary implication**

Blouberg Local Municipality does not have Contract having future budgetary implication

## **2.13 Capital expenditure details**

### **2.13.1 New assets**

The budget for capital expenditure estimated to be R28.6 million. This budget consist of the purchase of Computers, Vehicles, Furniture and Equipment, construction of halls, and roads

#### **The funding for capital expenditure would be as follows**

- R41.3 million from MIG grant
- R 4.2 million from INEP grant
- R12.0 million internally generated fund

Internally generated funds would be funded by the income received / generated from municipal operating revenue (property rate, rentals etc.) which **is not committed to any purpose**. Internal generated funds would fund the following assets

### **2.13.2 Renewal of existing assets and Repairs and Maintenance**

The total of renewal of existing assets and Repairs and Maintenance is amounting to R 1.0 million both roads and electricity.

The following are details of capital expenditure.

<b>BUDGET 201819</b>	
<b>Capital Funding: MIG</b>	
<b>Description</b>	<b>Amount</b>
ROADS INFRA - IU C: ACQUISITION SENWABARWANA PHASE 9	6,998,125
ROADS INFRA - IU C: ACQUISITION SENWABARWNNA PHASE 10	6,998,125
ROADS INFRA - IU C: ACQUISITION KROEMHOEK PHASE 3	6,325,000
ROADS INFRA - IU C: ACQUISITION KROMHOEK PHASE 4	6,325,000
ROADS ASSETS - IU C: ACQUISITION AVON	7,850,200
COMMUNITY ASSETS - IU C: ACQUISITION SENWABARWANA SPORTS	6,820,200
<b>TOTAL</b>	<b>41,316,650</b>

<b>BUDGET 201819</b>	
<b>Capital Funding: MIG</b>	
<b>Description</b>	<b>Amount</b>
Electrification of Witten	3,300,000
Electrification of Raweshi	154,000
Electrification of Cracouw	280,000
Electrification of Oldlongsign	140,000
Electrification of Earlydawn	280,000
Electrification of Lekgwara	141,000
<b>TOTAL</b>	<b>4,295,000</b>

## 2.14 Legislation compliance status

Every municipality is required by Acts to develop and adopt its Budget through the legal framework provided. In order to comply with the MFMA implementation requirement have been adhered to through the following activities:

### In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has done and includes monthly published financial performance on the Blouberg's website has progressively improved.

### **Internship programme**

The Blouberg is participating in the Municipal Financial Management Internship programme since 2005 and has employed five interns undergoing training in various divisions of the Financial Services Department. From 2005 interns three are permanently appointed as managers, three as accountant and five as clerks.

### **Minimum competence level**

Municipal manager and all senior managers are attending the MFMA certificate and also budget and treasury officials.

### **Budget and Treasury Office**

The Budget and Treasury Office has been established in accordance with the MFMA.

### **Audit and Risk Committee**

An Audit Committee has been established and is fully functional.

### **Annual Report**

Annual report is compiled in terms of the MFMA and National Treasury requirements.

### **Policies**

An amendment of the municipal policies has done .

## **2.14 Other supporting documents**

### **2.14.1. Draft IDP**

### **2.14.2 Draft SDBIP**

### **2.14.3 Budget tables schedule A**

Municipality does not have long –term borrowing in the next coming three years and the past four years.

➤ **SA 21 Transfers and grant made by the municipality.**

There is no transfer and grand made by the municipality.

➤ **SA 31 Municipality does not have entities**

Municipality does not have entities.

➤ **SA 32 List of external mechanism**

Municipality does not have external mechanism

➤ **SA 33 Contract having future budgetary implications**

Municipality does not have contract having future budgetary implications.

➤ **SA 34b Capital expenditure on the renewal of existing assets by assets of class.**

The capital expenditure on the renewal of existing assets of class is amount to R 2,1 million for roads and Electricity.

**Municipal Manager's quality certification.****QUALITY CERTIFICATE**

I **Machaba Junias** Municipal Manager of **Blouberg Local Municipality**, hereby certify that the Draft Annual budget 2017/18 financial year and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulation made under the Act .

Print Name: Machaba M. J

Municipal Manager of Blouberg Municipality: Lim351

**Signature**.....

**Date**.....